

PARCEL TO PARCEL LINKAGE:  
WHO BENEFITS FROM THE REDISTRIBUTION OF WEALTH?

by

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## Table of Contents

Acknowledgements  
Abstract

Introduction	1
Chapter I	A Theoretical Synthesis 8
	Labor Market Segmentation 10
	Internal Colonialism 15
	A Theory of Displacement 19
	A Theoretical Synthesis of the Parcel to Parcel Linkage Project 25
Chapter II	Parcel to Parcel Linkage Project 30
	Parcel to Parcel Linkage 31
	Financing Parcel to Parcel Linkage 36
	Guidelines for Community Benefits 38
	Parcel to Parcel Linkage: Advancing Minority Capitalism? 43
	Conclusion 51
Chapter III	Socioeconomic Profile of Chinatown 53
	Methodology 54
	Distribution of Boston Asian Population 55
	Concentration of Immigrants 56
	Educational Level 56
	Labor Force Participation 58
	Occupational Status 59
	Place of Work 61
	Income 62
	Conclusion 63
Chapter IV	The Impact of the Economic Restructuring of Boston on the Chinatown Labor Force 65
	Economic Trends 66
	Economic Restructuring and Job Opportunities 71
	Parcel to Parcel Linkage Job Creation and Impact on Chinatown Workers 76
	Parcel to Parcel Linkage Job Creation and Human Capital Theory 82
	Conclusion 85
Chapter V	Strategies for Redistributing Wealth 89
	Training 91
	Strategies for Redistributing Wealth 94
	Unions 95
	Workers Cooperatives 98
	Redistributing Wealth for Community Control 102
Conclusion	107

## Table of Contents

Appendix A	Advertisement for Roxbury Condominiums	112
Appendix B	Description of 9 Knapp Street Development	114
Appendix C	BRA Pin-Wheel Diagram	117
Appendix D	Minority Development Team Members	119
Appendix E	Summary of Minority Development Team Proposals	131
Appendix F	Tables for Socioeconomic Profile of Chinatown	136
Appendix G	List of Boston's Twenty-Two Fastest Growing Occupations	150
Appendix H	Articles on the P & L Garment Workers	152
Bibliography		156

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## PARCEL TO PARCEL LINKAGE:

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#### ABSTRACT

Parcel to parcel linkage is a land disposition policy which links the designation and development of a 'desirable' publicly owned parcel of land with a 'less desirable' publicly owned parcel of land. In July of 1985, this policy was formally adopted by the city of Boston initiating a 400 million dollar project.

The parcel to parcel linkage project links the Kingston-Bedford and Essex Street sites located in the financial district which borders Chinatown with Parcel 18 in Roxbury. The development plans for the linked sites are dominated by the construction of high rise office towers and hotels. The city administration has upheld the parcel to parcel linkage project as an innovative approach to community economic development which promises to redistribute downtown wealth to historically disinvested communities. The primary strategies to "redistribute" wealth are minority ownership and participation, office tower based job creation, linkage fee funded job retraining and construction of affordable housing.

The parcel to parcel linkage project reflects the economic restructuring which the Boston economy is currently undergoing. High rise office towers will accommodate Boston's growing service economy. The economic trends facing Boston are discussed with a particular focus on their potential impact on the labor force participation of Chinatown workers. Within a theoretical paradigm of segmented labor markets, internal colonialism and displacement, this thesis examines the effectiveness of the parcel to parcel linkage strategies to redistribute wealth.

Through a detailed analysis of the parcel to parcel linkage job creation agenda and the socioeconomic characteristics of Chinatown residents based on 1980 census data, this thesis concludes that the parcel to parcel linkage project will not substantially improve the socioeconomic status of community residents. Two supplementary strategies: unions and workers cooperatives, are proposed as efforts to contribute toward community-based institution building and thus, begin a true process of redistributing wealth.

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## INTRODUCTION

The details of a 400 million dollar development project which promises to redistribute downtown Boston wealth to two historically disinvested local communities, Chinatown and Roxbury, are nearing completion. This project, the first parcel to parcel linkage project in Boston, is gaining much attention as an innovative approach to community economic development. In July of 1985, an agreement was signed by the city, state and Parcel 18 Task Force which formalized the parcel to parcel linkage project and established the Boston Redevelopment Authority (BRA) as the development agent to coordinate the development process.

Parcel to parcel linkage formally "links" two publicly owned sites to be developed as interdependent parts of one project. This concept establishes the linkage of a 'desirable' publicly owned parcel of land, i.e., a downtown site which has little trouble attracting private investment, with a 'less desirable' parcel of land, e.g., land in historically disinvested communities. The developer, or development team, who is designated to build on the downtown site is then also required to develop the 'less desirable' site. The role of the public sector is not only to link and dispose of the parcels but to allocate public funds to ensure the financial feasibility of the linkage project.

The first parcel to parcel linkage project links the Kingston-Bedford and Essex Street sites in the financial district which borders Chinatown with Parcel 18 in Roxbury. Parcel 18, a 5.6 acre vacant lot situated near the MBTA Ruggles Street Station and Tremont Street, is to be developed into competitively priced "back office" space. The availability of cheap vacant land in Roxbury and its proximity to downtown Boston make Parcel 18 a prime location for this kind of development. The downtown sites, Kingston-Bedford, a 750 car parking garage, and Essex Street, a 78 car parking lot, are to be developed into a 40 story executive (Class A) office tower and a 350 room hotel, respectively.

The parcel to parcel linkage project is evidence of the economic transformation which Boston is currently undergoing. Within the past few years, Boston has rapidly progressed toward becoming a "global city". The Boston economy is shifting from a manufacturing based economy to a service based economy. This economic restructuring demands spatial reorganization and creates new forms of labor participation. The parcel to parcel linkage project embodies the following tendencies of the Boston economic transformation; the need to expand and centralize economic activity in the central business district, the physical upgrading of the urban environment and the substantial decline in manufacturing jobs accompanied by an upsurge in service sector employment opportunities. In other words, the parcel to parcel linkage project indicates how local

communities will be impacted by the growth of the Boston central business district.

The parcel to parcel linkage project is based on the premise that "wealth" can be shared by encouraging private investment through office development in Chinatown and Roxbury. Office towers will revitalize neighborhood economies by creating jobs. The job linkage fees to be generated by the parcel to parcel linkage projects will prepare community residents to access these new jobs. In addition, the housing linkage fees will contribute toward the construction of much needed affordable housing. As a result, Roxbury will be "enfranchised" again and securely "tied into the conveyor belt of the city's expanding opportunity" and Chinatown will "strengthen and enlarge (its) unique existing economy". (BRA, 1986) In sum, all participants have much to gain from parcel to parcel linkage. As boldly stated in a BRA report (1986), "(i)n the larger sense, Boston would come out a winner with balanced growth - the channeling of the benefits of downtown development to revitalize a neglected Roxbury and a deprived Chinatown." (BRA, 1986)

The success of parcel to parcel linkage is critical to the Flynn administration. Mayor Flynn who ran on a platform grounded in commitment to rebuilding Boston's neighborhoods has upheld this project as possibly the most important contribution to community economic development. Parcel to parcel linkage is a model of a public-private partnership intended to balance

economic growth and fulfill public policy objectives through directing private investment and the creative applications of public sector funds and legislation. The parcel to parcel linkage seeks to address the stark disparity between the vitality of the downtown Boston economy and the poverty which still plagues some inner city communities. Its objective is to "bring the benefits of growth to people in need" and leverage for the maximum benefits or concessions from private development. In short, the approach of the parcel to parcel linkage in addressing economic injustice and uneven development is to facilitate the "trickle down" process.

The parcel to parcel linkage project proposes that the extension of the downtown economy in Chinatown and Roxbury will revitalize their neighborhood economies. Job retraining will enable community residents to become active participants in the emerging service economy. These projections, however, reflect certain assumptions about the development process and the nature of service sector employment. An outstanding assumption is that displacement will not occur, therefore, all community residents stand to gain from the parcel to parcel linkage project. The jobs that will be created by office and hotel development are "good" jobs which will increase incomes. Further, it is assumed that community residents can readily access these jobs. The overall underlying message is that residents will remain and benefit from the flood of private capital which will transform their communities.

This study proposes that the primary objective of the parcel to parcel linkage project is not the "redistribution of wealth" in a manner which will truly benefit Chinatown and Roxbury, but, in fact, the facilitation and centralization of the spatial and economic expansion of the downtown economy. The planned developments will accommodate Boston's growing service industries. Furthermore, the parcel to parcel linkage project redefines how inner city communities will continue to service the needs of private capital and the central business district. The economic restructuring of Boston will indeed transform the economic and social functions of Chinatown and Roxbury, however, very little wealth will be redistributed.

While the analysis of this study is often applicable to both Chinatown and Roxbury, the focus of this study will be the potential impact of the parcel to parcel linkage project on the Chinatown community. This study will examine job creation and retraining as the proposed strategies to share downtown wealth with Chinatown. The nature of service sector jobs and the potential impact of these jobs on the socioeconomic status of community residents will be explored. Essentially, this study will discuss the effectiveness of the parcel to parcel linkage project approach to fulfilling its self-proclaimed objective to "share wealth" with Chinatown and Roxbury. In sum, the question which guides this inquiry is who benefits from the parcel to parcel linkage project?

Chapter I lays out a theoretical framework which provides a political, social and economic context in which to evaluate the parcel to parcel linkage project. This paradigm incorporates labor market segmentation theory, internal colonialism and a theory of displacement and provides the necessary tools to analyze the assumptions and objectives of the parcel to parcel linkage project.

Chapter II outlines the details of the parcel to parcel linkage project, the financing and allocation of community benefits. This chapter will discuss the role of the minority development team as the mechanism for community control over development.

Chapter III provides a socioeconomic profile of Chinatown residents based on 1980 census data. This chapter assesses the secondary labor market status of Chinatown workers in order to project if these workers can successfully make the transition from current employment to service sector jobs.

Chapter IV discusses Boston's emerging service based economy and examines the nature of service sector employment. The parcel to parcel linkage job creation agenda which emphasizes retraining as the strategy to prepare Chinatown workers to obtain these new jobs is also discussed. This chapter assesses how the parcel to parcel linkage project impacts the secondary labor market status of community workers.

Chapter V explores two supplementary strategies which will initiate the true redistribution of wealth: unions and workers



cooperatives. Chapter V analyzes how these institutions can contribute to a process of redistributing wealth for community control.

# CHAPTER I

## A THEORETICAL SYNTHESIS

### INTRODUCTION

Chinatown and Roxbury share prominent features that reflect their position in the Greater Boston economy and which also predetermine a vulnerability to displacement. Most notably, both Chinatown and Roxbury are low-income communities of color. Equally important is their proximity to the central business district; Chinatown is located on the periphery of the financial district and Roxbury is only three miles from the center of Boston. While Roxbury occupies a substantially larger area of land than Chinatown, of which a significant amount is vacant, land tenure is comparable in that homeownership is low in both communities. Affordable housing is a pressing concern and the existing housing stock is mostly old and in need of repair.

Community residents are primarily employed in secondary labor market jobs which are low wage and lack security. Both communities service the Boston economy by supplying low skill workers or as in the case of many Roxbury residents, the reserve army of laborers. Unemployment is a serious problem in Roxbury and a growing concern for Chinatown as increasing numbers of workers are displaced from declining manufacturing industries such as the garment industry. In sum, Chinatown and Roxbury share a common economic and social relation to Boston.

The parcel to parcel linkage project has formally linked these two communities in an attempt to revitalize them by initiating substantial private reinvestment. The following chapter will provide the theoretical framework or paradigm within which to examine the objectives of the parcel to parcel linkage project. Of particular interest are those objectives: affordable housing, job creation and community control of development, highlighted by the BRA as strategies to reintegrate Chinatown and Roxbury with the Boston economy.

In order to discuss the soundness of the parcel to parcel linkage approach to community economic development, it is necessary to synthesize a theory of labor markets with a theory of urban spatial organization which includes an understanding of displacement. This theoretical framework is critical since it will provide the broader social, political and economic context to analyze the parcel to parcel linkage approaches to rebuilding the neighborhood economies of Chinatown and Roxbury.

The parcel to parcel linkage plan essentially outlines a method to restructure the labor markets and spatial organization of Chinatown and Roxbury. Therefore, it is imperative that we examine carefully the specific roles these communities currently perform for the Boston economy. An analysis based on theories of labor market segmentation, internal colonialism, and displacement will provide a framework which will evaluate the effectiveness of the parcel to parcel linkage project in addressing the structural barriers presently

faced by these communities. Furthermore, as Chinatown and Roxbury are low-income communities of color, this framework must integrate an understanding of the centrality of racism in shaping the labor market participation and general quality of life of these community residents.

#### **LABOR MARKET SEGMENTATION**

The participation of people of color in the Boston economy is characteristically in low wage, low skill jobs. Many theories persist which argue that poor people of color lack the necessary skills, education, cultural values and behavior which permit them to access stable, high wage employment. These theories focus on the inadequacies of the labor force or in other words, the supply side of the labor market. Ultimately, these theories "blame the victims" for their misfortune and neglect to recognize how institutionalized barriers prevent people of color from gaining entry to certain types of employment.

Labor market segmentation theory as developed most recently by political economists David Gordon, Michael Reich and Richard Edwards among others, offers quite a different perspective on the operation of the labor market. Labor market segmentation theory incorporates concepts of labor control and heightened worker divisions in understanding how and why the labor force is stratified. Labor market segmentation theory describes the labor market as divided into two distinct markets in which

intermarket mobility is constrained, particularly, upward mobility. Each distinct labor market operates according to a different recruitment process and produce different outcomes.

The two labor market segments are identified as the secondary labor market and the primary market which is subdivided into the subordinate primary market and the independent primary market. Each segment contains approximately 1/4 to 1/3 of the labor force and is more or less of equal size on the national level. (Edwards, 1979: 166) These labor market segments are distinguished from each other with respect to employment stability, wage scales, job security and benefits, importance of education and training, and the significance of seniority (job tenure) and work experience. More importantly, the concept of labor control is central to the labor market segmentation theory. As Edwards contend,

Labor markets are segmented because they express a historical segmentation of the labor process; specifically a distinct system of control inside the firm underlies each of the three market segments. (Edwards, 1979: 178)

Essentially, labor is organized and controlled differently within each of the segments. Simple control is used in the secondary labor market, technical control in the subordinate primary market and bureaucratic control in the independent primary market.

The secondary labor market is characterized by low skill, low wage jobs that lack security and benefits. Secondary labor market jobs do not require training or education beyond basic literacy, if that at all. They are typically "dead-end" jobs

with no prospects for advancement or wage increases. As Edwards describes, "The only thing that a worker brings to a secondary job is labor power; the worker is treated and paid accordingly." (Edwards, 1979: 167) Since secondary labor market jobs require almost no skills, workers are easily replaced and in fact, are probably most exploitable as wages and worker militancy are further suppressed by the threat of dismissal. The mechanism for controlling the work performance and behavior of secondary workers is simple control. Simple control entails "the arbitrary power of foremen and supervisors to direct work, to monitor performance, and to discipline or reward workers." (Edwards, 1979: 183)

A further characterization of the secondary labor market is high turnover among workers. Bennett Harrison in his book, Education, Training and the Urban Ghetto (1972) offers an explanation,

The lack of economic power which characterizes peripheral firms (as reflected, for example, in the relatively high elasticity of their output demand curves) also makes it impossible for them to raise wages and other input costs without eroding profit margins, often to the shutdown point. (Harrison, 1972: 132)

In fact, Harrison notes,

With minimal investment in their current labor force, and given the readily availability of substitute labor outside the firms, such employers are at the very least indifferent to the rate of turnover. (emphasis added) (Harrison, 1972: 133)

Secondary labor market jobs include production and nonproduction (service) work. Secondary labor market jobs in production or manufacturing are typically in industries

characterized by "(a) low concentration ratio, a high amount of price competition and a labor-intensive production technique", for example, the garment and cannery industries. (Malveaux, 1984: 108) Such service jobs as janitors, waiters/waitresses, hospital orderlies, delivery people, and guards are typically secondary labor market jobs. Lower-level positions in retail-wholesale trade such as sales clerks, check out clerks, inventory stockers and clerical jobs including typing, filing, and key punching are also secondary jobs.

Unlike the secondary labor market, subordinate primary market jobs are characterized by job security, higher wages, stability, on the job training, and an internal labor market which is a feature of all primary labor market jobs. The presence of an internal labor market is an important feature of job stability since it indicates an avenue for job advancement and mobility. As defined by Edwards (1979), an internal labor market is "a set of procedures contained wholly within the firm for performing the functions of the external market: the allocation and pricing of labor." (Edwards, 1979: 180)

Subordinate primary market jobs also include both production and nonproduction work. Typically, subordinate primary market production jobs are characterized as jobs of the "old industrial working class", i.e., mass-production manufacturing in the auto, electrical products, machinery, and consumer product assembly industries. Subordinate primary market nonproduction workers include unionized workers in

lower-level sales, clerical and administration. Unionization is a prominent characteristic of the subordinate primary labor market and account for the presence of internal labor markets in these jobs. Therefore, unlike secondary market workers, subordinate primary market workers are to a certain degree insulated from unemployment.

Another distinction between secondary and subordinate primary market jobs is that some subordinate primary market jobs, as all primary market jobs, cultivate an identification with one's job. This worker consciousness reflects in part, the dominance of well-defined occupations. As Edwards notes, "A worker laid off at the auto plants remains an (unemployed) auto worker, rather than simply joining the ranks of the anonymous unemployed." (Edwards, 1979: 173) However, unlike primary market jobs, subordinate primary market work is typically repetitious, routine, and subject to machine pacing which describes the nature of technical control. In effect, workers exert very little control over their jobs. (Edwards, 1979: 171).

Independent primary market jobs are characterized by general rather than firm-specific skills obtained through years of advanced or specialized education. These jobs maintain standards of professional work behavior and attitudes. Independent primary market jobs typically require self-initiative and pacing. Professional, managerial, technical and administrative occupations are characteristically primary



market jobs. Needless to say, these jobs are high-paying, stable, secure, have internal labor markets and demand educational credentials. The system of control employed in the independent primary market is bureaucratic control which establishes and enforces work behavior through opportunities for job advancement and a prevailing adherence to "professional" norms and standards.

### INTERNAL COLONIALISM

Labor market segmentation theory is critical for our framework because it provides an analysis which highlights how the labor market is structured as two distinct and enduring factions characterized by differences in such job features as wages, security, nature of work, stability, benefits, the importance of education and training. Labor market segmentation theory incorporates how capitalist control over labor shapes the labor market and institutionalizes worker divisions. However, as Edwards recognizes, "The different systems of control are not the only force pushing toward labor segmentation, but they surely are one of the most important." (Edwards, 1979: 183) This assertion was then footnoted. The footnote stated,

Other sources are racism and sexism, the conscious efforts of employers to split the working class, and more diverse "cultural" factors involving family structure and schooling. (emphasis added) (Edwards, 1979: 240)

It is precisely the institutionalization of the racial division of labor which is central to our analysis of labor market

segmentation. Our theoretical framework needs to address how the implicit role of racism determines which workers are relegated to the labor market segments. Mario Barrera, author of Race and Class in the Southwest (1979) correctly notes that the limitations of labor market segmentation theory is that it "stress(es) segmentation based on the structure of occupation" while "the dimensions of racial and sexual labor market division have largely remained theoretically unintegrated..." (Barrera, 1979: 210)

The lack of a race and sex analysis in labor market segmentation theory undercuts its potential as a comprehensive theory of labor markets in a capitalist society. Barrera contends that labor market segmentation theory presents

(T)he divisions based on the structure of occupations (as) racially and sexually neutral, and presumably, they would exist in a capitalist economy even if the workforce were entirely homogenous racially and sexually. (Barrera, 1979: 211)

Incorporating how racism (and sexism) shapes the control over labor and subsequently, employment opportunities and job characteristics of all workers is critical for understanding the nature of work and worker divisions in the United States. In fact, as Harold M. Baron and Bennett Hymer argue in their article, "Racial Dualism in an Urban Labor Market" ( ),

The marked and systematic disparities that exist between whites and Negroes in regard to income, employment, occupations, and labor force participation offer prima facie evidence that a dual racial labor market exists. (Baron and Hymer, :190)

By recognizing the centrality of racism and sexism in determining the dynamics of capitalist social relations, Barrera proposes a model of labor market segmentation which integrates a theory of internal colonialism. Internal colonialism has been advocated as a theory which describes the political, social and economic status of people of color in the United States. The analogy rests with the international relationship between Third World countries - the periphery - and the First World Countries - the core.<sup>1</sup> The nature of this relationship is characterized by First World exploitation and domination of the Third World.<sup>2</sup> Barrera explains,

Colonialism is a structured relationship of domination and subordination, where the dominant and subordinate groups are defined along ethnic and/or racial lines, and where the relationship is established and maintained to serve the interests of all or part of the dominant group. (Barrera, 1979: 193)

Internal colonialism addresses the oppression of people of color in the U.S. within a similar framework of international relations. This relationship is characterized by exploitation and domination as the "First World" or core expropriates resources and labor power from the periphery. However, unlike the international sphere where Third World and First World

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<sup>1</sup> Refer to Robert Blauner's article "Colonized and Immigrant Minorities" in Yetman, Majority and Minority, pp. 302-317 and William Tabb's The Political Economy of The Black Ghetto, pp. 21-35.

<sup>2</sup> Refer to Andre Gunder Frank's article, "The Development of Underdevelopment," in R.I. Rhodes, ed., Imperialism and Underdevelopment (N.Y.: Monthly Review Press, 1970).

nations are located in distinct geographical areas, internal colonialism is "a form of colonialism in which the dominant and subordinate populations are intermingled". (Barrera, 1979: 194) Barrera (1979) then notes that unlike colonialism, internal colonialism is not geographically distinctive. However, many urban geographers and others will contend that in fact, there are visible geographical areas which serve as a "metropolis" that is vastly different and distinct from those areas which are "colony".

Barrera's (1979) model integrates the concept of a racial division of labor with labor market segmentation theory and suggests that two major types of intraclass divisions exist in a capitalist economy. Each of the major divisions are then further subdivided. The two major intraclass divisions are referred to as class segments and are defined as Type 1 - "structural class segments" - divisions based on the structure of occupations which is basically the proposition of labor market segmentation theory, and Type 2 - "ascriptive class segments" - divisions based on the ascribed characteristics of people, primarily their race/ethnicity and gender. Barrera (1979) contends,

An ascriptive class segment is a portion of a class which is set off from the rest of the class by some readily identifiable and relatively stable characteristic of the persons assigned to that segment, such as race, ethnicity or sex, where the relationships of the members to the means and process of production is affected by that demarcation. (Barrera, 1979: 212)

The role of racism and sexism in further defining class consciousness and divisions and more importantly, labor force participation is noted by David Gordon in his book, Theories of Poverty and Underemployment (1972),

According to nearly every version of the (labor market segmentation) theory, finally, race and sex will probably serve as fairly accurate predictors of inter-sectoral allocation as workers enter the market. (Gordon, 1972: 50)

In sum, internal colonialism furthers the understanding of how labor markets function in capitalist society. Labor market segmentation theory proposes that the labor market is organized into two distinct segments defined by stability, wages, benefits, nature of work and supervision, work behavior, importance of education and training. To supplement this observation with the acknowledgement that the labor force is further divided by race and sex, will provide a comprehensive approach to not only begin to define the disunity among all workers but more importantly, to explain how racism serves to concentrate people of color in typically "dead-end" jobs.

#### A THEORY OF DISPLACEMENT

The parcel to parcel linkage project encapsulates the type of economic growth Boston is currently experiencing. The economic restructuring of the Boston economy is accompanied by a need for spatial expansion and centralization of the service economy. The parcel to parcel linkage project, centered primarily around the construction of high rise office towers, will accommodate Boston's expanding financial and

administrative activities. This project demonstrates how "(p)ublic development policies must change to meet the changed realities of the city's growth economy." (BRA, 1986: 10) Neil Smith in his article, "Gentrification, the Frontier, and the Restructuring of Urban Space", (1986) identified the trends which are responsible for and shape the form of urban restructuring. He lists the following processes:

- a) suburbanization and the emergence of rent gap
- b) the deindustrialization of advanced capitalist economies and growth of white collar employment
- c) the spatial centralization and simultaneous decentralization of capital
- d) the falling rate of profit and the cyclical movement of capital
- e) demographic changes and changes in consumption process (Smith, 1986: 22)

These trends indicate how the spatial design and organization of an urban area is determined, in part, by the economic function it serves. For the past few years, Boston has been experiencing a shift in its economic base from manufacturing to service industries. This economic restructuring in turn facilitates a spatial reorganization most visibility noted by empty factories and warehouses and the emerging dominance of high rise office towers. As Smith (1986) observes,

A given built environment expresses specific patterns of production and reproduction, consumption and circulation, and as these patterns change, so does the geographical patterning of the built environment. (Smith, 1986: 21)

The drive to agglomerate economic activity in the downtown Boston area is threatening the viability of its neighboring communities, particularly Chinatown and Roxbury. Chinatown will be directly impacted by the presence of a 40 story office

tower while Roxbury is wholly incorporated into the effort to centralize the expanding economic activity in the downtown area. The planned development of "back office" space for Parcel 18 clearly represents this drive to maintain service sector growth within the central area of downtown Boston.

Smith (1986) predicts that the future of such an urban center will be dominated by professional/managerial, financial, and administrative functions. The residents will be primarily middle to upper middle class. Such commercial developments as restaurants, hotels, boutiques and cultural centers, e.g., theatres, will emerge to cater to an upper middle class life style. In sum, the phenomenon of "Manhattanization" will be played out. This process has already begun with full force in Boston as evidenced by the frequent media releases which describe yet another rehabilitation plan for downtown Boston. On January 25, 1986, a Boston Globe article, "Combat Zone at Crossroads", reported the increased development and speculation activity in the area. Only two days later, an article appeared in the Boston Tab, "At Center Stage", which described a city plan to develop a midtown/cultural district (which incidentally includes the Kingston-Bedford/Essex Street development).

Theories on why displacement occur range from theories which emphasize consumer preference: returning suburbanites who desire the cultural diversity of inner city neighborhoods and the proximity to work, to theories which highlight variations of the economics of supply and demand indicating a general

housing crisis. Other theories as advocated by Anthony Downs of the Brookings Institute contend that displacement is due to disparities in individual purchasing power. Downs writes,

In reality, displacement is the result of large disparities in purchasing power in a free-enterprise economy, plus occasional shortages of adequate housing in specific markets. (Downs, )

However, many academics and community activists argue that the 'returning gentry' or consumer preference theory of displacement is overstated and fails to identify the catalyst of the gentrification process. Based on Smith's (1979) research on the gentrification of Society Hill in Philadelphia, he concludes,

the gentrifier as consumer is only one of the many actors participating in the process. To explain gentrification according to the gentrifiers action alone, while ignoring the role of builders, developers, landlords, mortgage lenders, government agencies, real estate agents and tenants, is excessively narrow. (Smith, 1979: 540)

Professors Mauricio Gaston and Marie Kennedy expand on Smith's argument and contend that disinvestment and reinvestment are merely phases of the same process. (Gaston and Kennedy, 1985:2) They observe that the current "investment wave" which threatens the viability of many low-income inner city communities of color indicates a transition from economic crisis which entails

(p)ainful population migrations, changes in the pattern of investments in the cities, and different policies formulated by both private capital and the state aimed at overcoming the crisis and ushering in newer forms of accumulation and new urban order. (Gaston and Kennedy, 1985: 4)



The problem of displacement centers around people and land, or in other words, residents and their homes and communities. Within a capitalist society, the housing, construction and banking industries are powerful mainstay institutions of the national economy. Housing and land are commodities which have a value and when a disparity exists in the value of the land's current use (capitalized ground rent) and its potential use (potential ground rent) then displacement is imminent. Smith has identified this disparity as the rent gap. He contends,

Only when this gap emerges can redevelopment be expected since if the present use succeeded in capitalizing all or most of the ground rent, little economic benefit could be derived from redevelopment. (Smith, 1979: 545)

Increases in land value are caused in part by real estate speculation, anticipated development, location (proximity to central business district or other recently gentrified neighborhood) and scarcity of land. Essentially, Smith's important lesson on displacement is that one needs to take into account the role of producers (developers and bankers) as well as consumers because "it appears that the needs of production - in particular the need to earn profit - are a more decisive initiative behind gentrification than a consumer preference." (Smith, 1979: 540)

Moreover, Gaston and Kennedy (1985) argue that institutionalized racism is an inherent factor in the historical development of urban areas which contributes to the vulnerability of low income communities of color to

displacement. They write,

It (racism) is a central determinant of the condition of life for neighborhoods like Roxbury, permeating every aspect of their economy, demographic structure, institutional environment, political situation. It created the ghetto, and rendered its occupants vulnerable to the abuses of the market and the state. (emphasis added)  
(Gaston and Kennedy, 1985: 41)

In sum, consumer preference is a small, if at all significant, factor in the gentrification and displacement process. Market demands and the real estate industry are the big players which comprise the force behind gentrification and displacement. Furthermore, Gaston and Kennedy (1985) accurately point out that racism, in part, will determine who is particularly vulnerable to displacement.

Displacement has been rationalized as the "social cost of the reinvestment process". The coercive and disruptive nature of displacement is deflected by such benign terms as 'neighborhood change', 'neighborhood resettlement', 'neighborhood renewal', 'dislocation', 'relocation', 'upgrading', 'recycling of inner city neighborhoods.' These phrases do not reflect the conclusions of many displacement studies which indicate that those who are most vulnerable to displacement are the poor, the elderly and people of color. In effect, the language which dominate the literature on displacement ignores the political and economic reality of vulnerability and powerlessness of community people in the face of private reinvestment. This benign language not only depoliticizes the nature of neighborhood development but also

disguises the psychological trauma of 'neighborhood change'.

The immense potential for displacement of Chinatown and Roxbury residents raises several critical issues regarding current revitalization and development efforts. Gaston and Kennedy (1985) contend that the issue of displacement represents a question of interests: people versus property and profit. Essentially, the immediate concerns regarding the parcel to parcel linkage project are: Who benefits from development? In whose interest is revitalization? How is development possible without displacement? How do we maximize and ensure community control over development to prevent displacement?

#### **A THEORETICAL SYNTHESIS OF THE PARCEL TO PARCEL LINKAGE PROJECT**

By channeling private investment to Chinatown and Roxbury, the parcel to parcel linkage project proposes to share downtown wealth by stimulating new economic activity in these communities. Such needs as daycare, jobs and affordable housing will be provided for by linkage fees generated by the projects. Underlying the parcel to parcel linkage project is an assumption that community people will not be displaced and will, in fact, experience new economic vitality. The office and hotel developments are to initiate a process of re-integration in the Boston economy which will enhance the urban environment and lifestyle of all community residents.

The theoretical framework describes the role of land and labor in a capitalist society. The parcel to parcel linkage project is based on the economic restructuring of Boston which have spatial and economic dimensions. In other words, Chinatown and Roxbury will be impacted by the growth of a Boston service economy in two ways: as a neighborhood (land) and as a community (people-labor).<sup>3</sup> The emergence of a service economy in Boston is exerting development pressures on an already saturated central business district. The demand for physical expansion is impacting the urban spatial organization of Chinatown and Roxbury as these communities witness the dominance of office towers in their neighborhood. Furthermore, these developments will initiate a secondary process of developments which will ultimately transform the nature of the communities.

The expansion of office development and the secondary-type developments which office towers initiate seriously undermine the long-term viability of Chinatown and Roxbury. Downtown Boston expansion in these communities will encourage a process of gentrification and massive displacement. Roxbury community activists have observed that the parcel to parcel linkage project along with other development plans for Roxbury has caused real estate speculation to soar placing many renters and

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<sup>3</sup> This distinction between neighborhood and community will be discussed further in Chapter 5. For further reading, see Mauricio Gaston and Marie Kennedy's article "Capital Investment or Community Development? The Struggle for Control of Turf by Boston's Black and Latino Community." (1986)

homeowners at risk of displacement. Ads for condominiums in Roxbury are appearing in newspapers urging prospective buyers not to miss out on Roxbury's renaissance.<sup>4</sup> Similar pressures are facing Chinatown residents. Although the rehabilitation of the combat zone is long overdue and much needed, the type of development activity taking place e.g., condominium conversion, will bear no benefits for Chinatown residents.<sup>5</sup>

The increasing pressures of the downtown Boston area to expand and revitalize threatens the ability of low-income residents and shopowners in Chinatown and Roxbury to remain in their community. Gentrification is inevitable since the development activity in the Chinatown and Roxbury communities caters to market demands for "upgraded" commercial, retail and residential developments. If community residents are not immediately displaced due to rent and property tax increases or evictions, it will only be a matter of time before community residents are forced to leave their homes and possibly their communities.

The economic restructuring of Boston will also impact the labor force participation of Chinatown and Roxbury residents. As Saskia Sassen-Koob in her article "The New Labor Demand in Global Cities," (1984) observes, the economic transformation of

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<sup>4</sup> Refer to Appendix A for the advertisement.

<sup>5</sup> A plan to convert 9 Knapp Street, which divides Chinatown and the combat zone, into 35 condominiums was recently approved by the city. Refer to Appendix B for a description of the project submitted by the developer to the Chinatown Neighborhood Council.

a community "entails not only a physical upgrading, but also a reorganization of the consumption structure, both of which generate a demand for low-wage workers." (Sassen-Koob, 1984: 157) The role of workers of color has historically been segmented to the secondary labor market, performing the most menial jobs for the lowest pay and/or they have served as the source of unemployed workers used to discipline and regulate the working class. In effect, workers of color are treated as the purest form of a commodity - they sell their labor power in sheer strength and endurance. The parcel to parcel linkage project, however, proposes that the new service related jobs will increase incomes. To assess the parcel to parcel linkage proposition that the planned developments will substantially improve the socioeconomic status of community residents, it is necessary to examine the types of jobs created, their wage scales, and availability to community residents. In sum, the success of parcel to parcel linkage will lie, in part, in a strategy that addresses institutionalized racism in the labor market.

The BRA claims that the parcel to parcel linkage project will redistribute downtown wealth to local communities by building affordable housing and creating new jobs. This theoretical paradigm has discussed the role of land and labor within a perspective that addresses how structural barriers are institutionalized to perpetuate a society characterized by political and economic inequality. By framing the analysis of

the parcel to parcel linkage project within this theoretical synthesis, a key question arises which guides this inquiry of the parcel to parcel linkage project: does the parcel to parcel linkage project truly redistribute wealth to Chinatown and Roxbury?

## CHAPTER II

### PARCEL TO PARCEL LINKAGE

#### INTRODUCTION

The following chapter will discuss the objectives of parcel to parcel linkage as outlined in the BRA interim report issued in March 1986, the only comprehensive document on the parcel to parcel linkage project to date. This report details the objectives, financing, design, community benefits and role of community participation in the Kingston-Bedford/Essex Street and Parcel 18 projects. The analysis of the parcel to parcel linkage project will be based on this and other BRA documents which served as guidelines for the minority development team proposals. The parcel to parcel linkage project claims to benefit Chinatown and Roxbury by creating job opportunities and affordable housing. The construction of high rise office towers is the primary stimulus for job creation. Employed community residents will exercise increased purchasing power which benefits local community entrepreneurs. Linkage fees, state housing assistance funds and the designation of city-owned parcels will contribute to building affordable housing. Overall, the outstanding underlying message is that community residents have much to gain from the parcel to parcel linkage project as the infrastructure of Roxbury and Chinatown will experience new growth.



## PARCEL TO PARCEL LINKAGE

The concept of parcel to parcel linkage rests on directing private investment to "less desirable" parcels of land in an effort to revitalize historically disinvested communities. As stated in a BRA bulletin (1986) issued to Chinatown and Roxbury residents, parcel to parcel linkage is

(a) pioneering effort to capture the economic power of a city-owned downtown site by linking it with a neighborhood site to assure community ownership, and involvement, and to ultimately achieve dramatic new neighborhood growth in both Roxbury and Chinatown. (BRA, 1986: 5)

The primary objectives of parcel to parcel linkage based on the BRA interim report is twofold:

- 1) to facilitate the spatial expansion of the Boston central business district
- 2) to "reintegrate" Roxbury and Chinatown into the Boston economy by restructuring their economic and social functions to accommodate the emerging service economy

Within these two primary objectives, I then subcategorize the BRA stated objective of parcel to parcel linkage project which is to redistribute downtown wealth to strengthen neighborhood economies. It is within the context of the primary objectives that the BRA approach to building a neighborhood economy is defined. In other words, the process of sharing wealth and building the necessary foundation for a neighborhood economy is oriented toward facilitating the type of economic growth which is the basis for the parcel to parcel linkage project, i.e., the spatial expansion of the downtown Boston service economy.

The preliminary BRA development guidelines for the Kingston-Bedford/Essex Street and Parcel 18 sites are centered around attracting private sector interest. The dominant feature of the BRA guidelines for both sites is the construction of high-rise office towers. The proposed development alternatives for Parcel 18 is 500,000 - 900,000 gross square feet (GSF) of commercial space ranging in height from 125 - 225 feet. The commercial space includes 125,000 - 200,000 GSF of executive office space (Class A), 275,000 - 400,000 GSF of support office space (back office space), and 50,000 - 100,000 of retail space. A 500 - 1200 underground car garage, a cultural performance art center and 150 - 200 mixed income residential units are also included in the Parcel 18 plan. The preliminary plan for the Kingston-Bedford/Essex Street site is to develop one or two mid- or high-rise executive office towers ranging from 450,000 - 700,000 GSF and 250 - 400 feet in height and a 350 room hotel. A 600 - 850 underground car garage is also included in the plan.

While the parcel to parcel linkage project will have an equally substantial impact on the Chinatown and Roxbury communities, it is significant to note that the BRA interim report's discussion of Chinatown is marginal. This omission or lack of attention regarding Chinatown reflects, in part, an important objective of the parcel to parcel linkage project. Although both Chinatown and Roxbury will be seriously affected by the growth of office development in their communities,

Chinatown is impacted circumstantially as a neighboring community whereas Parcel 18 - Roxbury, itself, is to be developed as an extension of the Boston office economy. As the BRA interim report clearly states,

The key to understanding Roxbury's role as a new neighborhood economy is to determine how this community could be brought into the momentum of the Boston economy as a whole, and the downtown economy in particular. (BRA, 1986: 12)

In other words, Chinatown is treated as an 'impacted' community since it merely needs to coexist with an office tower whereas Parcel 18 - Roxbury is wholly incorporated into Boston's redevelopment plans. While the immediate impact of parcel to parcel linkage may differ for Roxbury and Chinatown (and this point is subject to debate), in the long-term, indirect or secondary displacement is imminent for Roxbury and Chinatown. The potential for displacement of Chinatown residents is exacerbated by development plans to rehab the combat zone, develop a midtown/cultural district and to continue Tufts-NEMC expansion.<sup>6</sup>

The BRA objective in developing Parcel 18 is to offer competitively priced back-office space to companies which are currently being displaced from downtown Boston due to high office rents. These companies usually relocate in the suburbs

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<sup>6</sup> The New England Medical Center plans to build a 750 car garage for their employees in Chinatown. Originally planned for the Oak-Nassau-Washington Street site which is a residential part of Chinatown, the community has successfully rejected NEMC plans for a garage on this site. Negotiations between the BRA, NEMC and Chinatown are continuing.

such as Waltham, Quincy and Burlington where rents are affordable. In an effort to maintain these companies in the Boston area, the demand for back office space is to be met by the redevelopment of Roxbury, specifically Parcel 18. The agglomeration of the service economy in the downtown area is proposed as critical to the economic livelihood of Boston. As stated in the BRA interim report,

The failure to produce space competitive with the overbuilt suburban markets could spell serious economic trouble for Boston. For every two hundred square feet of leased space that becomes vacant, one job is lost. (BRA, 1986: 10)

The availability of cheap vacant land in Roxbury and its proximity to downtown Boston make Parcel 18 a prime location for this back office space. The BRA interim report states,

Major new commercial and residential development on Parcel 18 would combine public and private investment to take advantage of an excellent location and large tracts of vacant land; an underutilized labor force; lower wages; and unprecedented demand for back office space to create the base for a new neighborhood economy in Roxbury. (BRA, 1986: 18)

Ultimately, the "reintegration" of Roxbury into the Boston economy is dictated by the market demand for back office space. The BRA interim report enthusiastically claims, "This would restore Roxbury as a self-sufficient economy where people live, work, shop and play." (BRA, 1986: 12) However, many concerned community activists are asking, "Which people?" "Who will benefit?" "In whose interest is this development?"

The premise for linking the downtown Kingston-Bedford/Essex Street sites with Parcel 18 in Roxbury is to ensure private sector interest in the "less desirable" community of Roxbury.

The BRA Bulletin (1986) claims,

Strong development interest in Parcel 18 will be assured by requesting the developer chosen for the Kingston-Bedford/Essex Street downtown site to also carry out development of Parcel 18. (BRA, 1986: 4)

However, the "undesirableness" of Parcel 18 to private investors is highly questionable. In fact, many local community activists have challenged the necessity of "linking" Parcel 18. Professors Mauricio Gaston and Marie Kennedy in their paper, "Capital Investment or Community Development? The Struggle for Control of Turf by Boston's Black and Latino Community" (1986) argue,

Given the parcel's location, the amount of development activity, the public funds already spent on land improvement, and sky rocketing land values along the Southwest Corridor, it is unlikely that a modestly-scaled development of Parcel 18 would require the leverage offered by parcel-to-parcel linkage. (emphasis added) (Gaston and Kennedy, 1986: 33)

The critical point here is that the underlying rationale of parcel to parcel linkage is logical only if the type of development outlined by the BRA is assumed to be the appropriate development for Roxbury. In other words, the complexity of the parcel to parcel linkage project, the extensive financial collaboration between the state, city and private sector are only necessary for the BRA plan for Parcel 18.

Community activists argue that the approach of parcel to parcel linkage to revitalizing local communities will result in gentrification. The parcel to parcel linkage project, based on encouraging private investment in Roxbury and Chinatown in the

form of office development, will initiate a process of "community economic development" characterized by the secondary type developments of a downtown economy, e.g., shops, restaurants, hotels and theatres, oriented toward servicing upper middle class clientele.

#### **FINANCING PARCEL TO PARCEL LINKAGE**

To develop the Roxbury neighborhood economy based on competitively priced back office space as proposed by the BRA requires substantial subsidies. The BRA interim report claims, "The cost of developing commercial space on Parcel 18 must be financially underwritten in order to be able to offer rents that compete effectively with comparable suburban facilitates."

(BRA, 1986: 48) The ability to underwrite the cost of the Parcel 18 development is precisely the essence of parcel to parcel linkage. Essentially, the financing of Parcel 18 is linked to the financing of the Kingston-Bedford development. This financial linkage is based primarily on transferring the economic value of Kingston-Bedford to Parcel 18. (BRA, 1986: 41) The BRA interim report explains,

Critical to building a neighborhood economy, however, is the creation of substantial land value in the downtown parcel. The city, by linking the developed parcels, would attribute the majority of that value to assist in the Parcel 18 portion of the development. That assistance would allow development on Parcel 18 to offer rents low enough to compete with suburban office markets, thereby establishing a new office center. (BRA, 1986: 45)

The Kingston-Bedford development will subsidize the financing of Parcel 18 in two ways. When the city sells the Kingston-Bedford Street site, a portion of the sale proceeds, approximately \$15 million, will be channeled toward the Parcel 18 project. In addition to upfront money, 5% of the net operating income of the Kingston-Bedford development will be directed to Parcel 18 for a twenty year period to ensure its financial feasibility. The implication of financial linkage reflects, in part, that the economic feasibility of the parcel to parcel linkage project is based on maximizing the land value of the downtown site. To achieve the maximum value of the Kingston-Bedford Street development, i.e., to generate the maximum profit, the BRA concluded that the best land use scenario is commercial rather than mixed-use development which incorporates rental and equity housing. In effect, commercial use, primarily office space, is the optimal way to maximize the land value of Kingston-Bedford. More importantly, not only is office space the optimal use, but in order to achieve the "highest and best" land value of Kingston-Bedford, it is necessary to build the greatest density office tower possible. As the BRA interim report contends,

The highest possible density development on the Kingston-Bedford site arguably would benefit the Parcel 18 development the most by creating more value to attribute to it. (BRA, 1986: 45)

This underlying economic objective of parcel to parcel linkage bears significant political consequences for the Chinatown and Roxbury communities. Ultimately, the implication of parcel to

parcel linkage is that in order to develop Roxbury's neighborhood economy "based on its new role as a competitively priced source within metropolitan Boston for back-office space" and provide community benefits, Chinatown must tolerate the largest and tallest office tower feasible.

Even with substantial financial linkage, the BRA interim report asserts,

(i)t would not be sufficient to leverage development on Parcel 18 in a way that would allow the project to offer rents low enough to compete with suburban spaces (BRA, 1986: 54)

and thus, additional subsidies are necessary. To avoid the acquisition costs of Parcel 18, the city will lease the land rather than sell it to the developer. The city will also cover the cost of site assembly, public infrastructure construction, and the construction of the 500-1200 car garage. The city and state will provide a \$10 million UDAG and a \$5 million CDAG. The estimated total of the city and state contribution to this project is approximately \$100 million dollars. (Boston Globe, 3/14/87) Furthermore, the required housing linkage fee contribution of Parcel 18 will be spread over twelve years rather than seven years as mandated in the newly amended linkage fee payment schedule.

#### **GUIDELINES FOR COMMUNITY BENEFITS**

The BRA professes that the parcel to parcel linkage project "was put together to assist in the building of neighborhood economies." (BRA Bulletin, 1986: 10) In the BRA Bulletin



(1986) distributed to Roxbury and Chinatown residents, a pin-wheel diagram was used to illustrate how the parcel to parcel linkage project will contribute to revitalizing the neighborhood economies.<sup>7</sup> According to the BRA, the elements of a strong neighborhood economy are: 1) employment opportunity 2) community development 3) improved quality of life 4) affordable housing 5) business growth 6) economic viability. (BRA Bulletin, 1986: 11)

As in the case of financial linkage where the guiding motto was "the bigger - the better" in order to maximize the potential land value of Kingston-Bedford, this motto is equally applicable in the BRA's discussion of community benefits. With respects to job creation, the BRA interim report states, "The absolute number of jobs will be a function of the size of the projects and the sequencing of the development activities."

(BRA Bulletin, 1986: 14) The parcel to parcel linkage project is estimated to create approximately 11,446 jobs. This sum is based on developing the maximum potential gross square footage capacity of both Kingston-Bedford (900,000 GSF) and Parcel 18 (860,000 GSF). 3,946 of these jobs are projected to be temporary construction jobs. In addition, 4,000 permanent jobs will be created downtown and in Roxbury. 50% of the newly created jobs in Roxbury are anticipated to be professional-managerial and technical jobs while the remaining jobs will be

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<sup>7</sup> Refer to Appendix C for the BRA pin-wheel model of a neighborhood economy.

secretarial, clerical, support service and maintenance. (BRA, 1986: 14)

Although the BRA did not project the occupational breakdown of new jobs in downtown, it is likely that the types of jobs and the proportion of various occupational categories will be similar to the Parcel 18 projection. However, according to Pam Westling, BRA manager of the Kingston-Bedford/Essex Street developments, the Kingston-Bedford office tower will not be creating new job opportunities as much as it will accommodate existing Boston firms.<sup>8</sup> This observation leads one to speculate that the source of job creation for the Chinatown community is primarily the 350 room hotel planned for Essex Street.

In addition to employment opportunities, the parcel to parcel linkage developments will generate job and housing linkage fees. The linkage fee regulation added to the Boston Zoning Code in December 1983 requires that developers of commercial space contribute 5 dollars for every square foot over 100,000 square feet to a housing trust for the development of affordable housing. This linkage fee was payable over 12 years after the issuance of a certificate of occupancy or 2 years after the issuance of a building permit whichever occurred sooner. (BRA, 1986: 56) In lieu of paying the housing linkage fees, the developers can opt to build the low

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<sup>8</sup> Meeting with Pam Westling, BRA manager of the Kingston-Bedford/Essex Street developments, on March 23, 1987.

to moderate income housing themselves. The linkage program was recently amended to include a job linkage fee of 1 dollar per square foot over 100,000 square feet for job retraining. In addition, the payment schedule for downtown projects was shortened to 7 rather than 12 years. (Boston Globe, 11/12/85) Further, the communities impacted by downtown commercial developments are targeted to receive, at minimum, 10% of the linkage payments and the communities impacted by neighborhood commercial developments are to receive 20% of the linkage payments at minimum.

The amount of housing and job linkage payments generated by the parcel to parcel linkage project will vary with the scale of the developments. However, the pin-wheel illustration in the BRA Bulletin distributed to Chinatown and Roxbury residents stated that up to 2 million dollars of job linkage fees will be generated from both Kingston/Bedford and Parcel 18 projects of which an estimated 1.4 million is to be targeted to Chinatown and Roxbury. The Kingston-Bedford and Parcel 18 developments are expected to generate up to 4 million dollars in housing linkage fees each. Up to 50% of the housing linkage fees is targeted to the impacted communities which means that both Chinatown and Roxbury could each potentially receive 2 million dollars for affordable housing. It is important to note that the BRA anticipated sum of job and housing linkage fees are based on developing the maximum potential GSF of Kingston-Bedford (900,000) and Parcel 18 (860,000). Therefore, even if

the BRA figures are estimations, they are important to note since it implicitly refers to a preferred project size/scale. In other words, the BRA stated figures will most certainly serve as minimum guidelines for the competing minority development teams. In addition to housing linkage fees, \$12.5 million will be provided by the state to each neighborhood for below market rate permanent financing to develop housing. The number of units are to be determined by the project development team.

As a demonstration of the Flynn administration's commitment to community economic development, parcel to parcel linkage includes guidelines to create a Neighborhood Development Bank (NDB). The NDB will provide below market rate financing for affordable housing, venture capital for minority and neighborhood businesses and funding for community development corporations (CDC) and other non-profit community organizations. The NDB is to be funded by a 10% contribution from the net initial land payment for the Kingston-Bedford site and 5% of the Kingston-Bedford development and Parcel 18 project cash flow after the first stabilized year of operation for a twenty year period. In addition, for the same twenty year period, the NDB will receive 10% of all net refinancing, net syndication proceeds, and net sales residuals of both developments.

## PARCEL TO PARCEL LINKAGE: ADVANCING MINORITY CAPITALISM?

The participation of minority business enterprises is critical to the parcel to parcel linkage project approach to community economic development. At minimum 30% of all professional and technical services e.g., engineers, architects, lawyers, construction contracting, supplies and services, etc., must be contracted with minority-owned firms. The BRA has already compiled a list of all eligible minority businesses, the Minority Business Enterprise Clearinghouse, which will be made available to the selected development team(s). This feature of the parcel to parcel linkage project encourages the growth of minority capitalism. Essentially, as Bennett Harrison (1974) has observed, "A program of black capitalism would give minority entrepreneurs 'a bigger piece of the action'." (Harrison, 1974: 14) While efforts to include the participation of people of color in the expanding Boston economy is important, it is necessary to question whether the incorporation of professional minority businesses is an effective strategy for long-term local community economic development.

Another effort to involve people of color and more importantly, to provide a sense of community ownership and control over the parcel to parcel linkage projects is the sharing of project equity with a minority development team. As stated by the BRA interim report,

The purpose of the minority team designation is to assure community influence over the development, to create development capacity in minority and community organizations which have until now been excluded from major commercial development and to create financial resources through ownership which can be used to stimulate further economic activity in the minority communities. (BRA, 1986: 13)

The requirements to qualify as the minority development team include that the total net worth of the development team must be at least \$1 million. In addition, the team must demonstrate the ability to meet the minimum start-up equity requirement of \$1.5 million. (BRA, 1986: 128) The limited financial capacity of CDC's which have served as the core of community-based development, prevents these institutions from participating as autonomous entities. However, the BRA guidelines for the parcel to parcel linkage project include plans to involve CDC's under the auspices of the minority development team.

One of the bidding teams, Boston Development Collaborative, has indicated that four CDC's; Roxbury Action Program (RAP), Community Development Corporation of Boston (CDCB), Chinese Economic Development Corporation (CEDC) and Greater Roxbury Development Corporation (GRDC), are interested in raising the required one million dollars to become equity partners. The other teams have stated a commitment to setting up a fund which will provide resources for non-profit community organizations. While the creation of community economic development funds is important, the parcel to parcel linkage guidelines effectively establishes additional levels of hierarchy in the process of community development. The minority development teams by

allocating the profits generated by the project to the communities serve a bureaucratic function by controlling resources. Furthermore, the power to control resources will enable a minority elite to shape the direction of community economic development. Essentially, the parcel to parcel linkage project superimposes a process of community development which undermines an existing structure of community-based institutions committed to grassroots development.

Initially, the BRA interim report stated that a minimum of 30% of the project equity must be held by minority developers. Due to the demonstrated strength of the minority development team proposals, the BRA has since proposed that the selected minority development team have the option of requesting the BRA to continue the development team selection process by issuing a Request for Proposal (RFP) from prospective "majority" developers or the minority development team may opt for the "challenge track". The "challenge track" will enable the minority development team to be the only development team if they can successfully secure the necessary upfront equity, broaden team membership and elaborate the community benefits within 120 days. (Ricardo Millet, Deputy Director of BRA at Chinatown community meeting, 3/31/87) The implication of this recommendation is that the parcel to parcel linkage project may be the first totally minority developed project of its scale and financial worth.

According to the BRA, the minority development team is effectively the mechanism for community control and participation. (BRA, 1986: 21) Five minority development teams submitted bids to be considered equity partners. To date, two have been eliminated from the selection process. The three minority development teams being considered are Boston Development Collaborative, Columbia Plaza Associates, and Interlink Development Group. The team members are professional Asians, Blacks and Latinos. The team compositions display an impressive agglomeration of minority elites. The occupational background of the minority team members reflect various areas of expertise ranging from real estate development, academia, political office, engineering, architecture, finance and media personalities e.g. football player and comedian. A BRA summary of the minority development team composition (1987) states,

To varying degrees, members of each team have participated in the development, ownership, or management of projects in Chinatown and/or Roxbury.

A substantial number of the team members were formally affiliated with community social service and cultural organizations as board members, directors or at large members.<sup>9</sup>

The inclusion of a minority development team raises serious concerns regarding the potential implications for the community development process. Professors Gaston and Kennedy poses some

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<sup>9</sup> For the listing of all the minority development team members, refer to Appendix D.



questions which highlight how the incorporation of the minority professional sector of the community potentially depoliticizes urban struggle ( e.g., for housing and jobs),

How strong is the tendency to professionalize the political activity centering on development issues? To what extent does this professionalization promote the demobilization of street-based activism? (Gaston and Kennedy, 1986: 2)

The ability to fulfill the minimum financial criterion and demonstrate the organizational capacity to participate in projects of the magnitude contemplated is a self-selecting process, i.e., those who compete will obviously have the means to do so. There are at least two critical implications of such criteria for the future of community development. The public-private partnership as epitomized by the parcel to parcel linkage project, indicate a dominant trend toward privatizing community development. More and more emphasis is placed on financial and organizational capacity to develop bigger projects while neglecting the human capacity building aspect of community development. In effect, successful community development is increasingly being measured by "bricks and mortar" type developments rather than by community organizing and empowerment. To assume that the minority development team can represent the needs and interests of Chinatown and Roxbury community residents because they are people of color is not just naive but potentially divisive. A Boston Globe article on the minority development team dated March 14, 1987 states,

So important are the associations of individuals that are occurring on these teams, according to city and community officials, that the end result could amount to significant reordering of the economic leadership within the minority communities.

Gaston and Kennedy (1986) describe the reaction of the Roxbury Planning Advisory Council (PAC) to the minority development teams, "...the PAC feels that the BRA is using this wedge to buy people off and to split the community." (Gaston and Kennedy, 1986: 34) In sum, to assert that the minority development team is effectively the mechanism for community control is to neglect the significance of class interest and alliance.

The participation of a minority development team while appearing to be an innovative approach by the BRA to increase the access of people of color to downtown wealth is effectively a most creative and reprehensible way to co-opt the elite of the Chinatown and Roxbury community to act as facilitators of a process which will inevitably displace community residents. The analysis that the minority development team will ultimately serve the interests of the BRA is grounded in two observations. First, the minority development team members are "successful" professional Blacks, Asians and Latinos. Each team demonstrates substantial aggregate net worth - CPA, over \$50 million, BDC, over \$20 million, Interlink, over \$30 million. (BRA, 1987) The relative position of these minority developers to power and money is qualitatively and quantitatively

different from those community residents whose interests they are supposedly acting on behalf.

As real estate developers, the minority team members implicitly share interests with other private developers who seek to maximize profits. As David Gordon (1972) contends, "Groups of individuals sharing the same functions within the process of production constitute an objectively-defined class, as it are, despite themselves." (Gordon, 1972: 57) In effect, the criteria of racial identification with the impacted communities does not implicitly mean that the minority development team have the same interests or objectives as community residents. The implication of this observation is stated by Gordon (1972),

In that the members of a given class share objectively-determined common circumstances and activities, they also share economic interests (in strictly objective terms), for economic rewards accruing to any individual within a class will depend in part on the total share captured by his class in competition with other classes. (Gordon, 1972: 57)

Thus, to assert that the minority development team can represent the interests and needs of low-income communities of color is to essentially shield the BRA, city and state from its effort to preserve and reinforce the status quo as they find eager stand-ins who seek to gain equally from this development scheme.

The second observation which supports the analysis that the minority development team will ultimately serve the interests of the BRA is demonstrated in the minority development team proposals. By virtue of their participation in the project,

the minority development team agrees to accept and work within certain constraints defined by the BRA and the city. This is demonstrated by the scope of the minority development team proposals which varies only with regards to the specific details of the BRA guidelines for the parcel to parcel linkage project, i.e., scale of office towers and allocation of community benefits.<sup>10</sup> The proposals do not challenge the legitimacy of the BRA approach to viable community economic development and "redistribution" of wealth. Essentially, the objectives of the BRA will be fulfilled in a most insidious manner. By claiming to advocate for "community control" through minority "ownership" of the parcel to parcel linkage project, the BRA has successfully exploited class divisions within the communities to misdirect conflict. The minority development teams will need to deal with the communities directly and as a result, will be mistakenly held responsible as the initiators of the parcel to parcel linkage project.

A review panel has been set up with representatives of the BRA, city, state, Parcel 18+ Task Force, and the Chinatown Neighborhood Council to review the proposals and select the minority development team. At the monthly BRA Board meeting on May 21st, the "winner" of the Request for Qualifications (RFQ) process will be selected, i.e., the minority development team will be selected. The formal public announcement is

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<sup>10</sup> Refer to Appendix E for a summary of each of the minority development team proposals.

anticipated to take place shortly after. At that time, the selected team, the "winner", can either choose to accept the "challenge track" or request the BRA to start the Request for Proposal (RFP) process i.e., to select the majority development team. During the March 31st Chinatown community meeting where the minority teams presented their proposals, all three teams expressed a willingness to accept the challenge track if they are selected to be the minority development team.

## CONCLUSION

The parcel to parcel linkage project, estimated to cost 400 million dollars, reflects a collaboration between the city, state and private developers to leverage substantial public funds to subsidize private development. Minority participation and equity sharing are the primary mechanisms to redistribute downtown wealth. However, the concentration of wealth in a small class of minority elites does not signify a redistribution of wealth that benefits low income communities of color. Moreover, the benefits to be reaped by the Chinatown and Roxbury primarily through linkage funds is contingent on the scale of the projects: the larger the project, the greater the benefits. In sum, the parcel to parcel linkage project represents a "trickle down" approach to community economic development.

The BRA claims that the parcel to parcel linkage project will rebuild the neighborhood economies of Chinatown and

Roxbury. Indeed, this project will "rebuild" the neighborhood economies but the transformation that will take place is not based on meeting community needs or objectives. The objective of rebuilding the Chinatown and Roxbury economies is to better enable these communities to continue to service the growth of private capital, i.e., the Boston service economy.

The strategies to redistribute wealth outlined in the parcel to parcel linkage do not entail a process where the communities share equally in wealth and decision making powers. The elements of a neighborhood economy: land, labor and capital remain under the control and interests of the private sector. The role of the city and the BRA in subsidizing this project is, in effect, serving the interests of the private sector. As such, the parcel to parcel linkage will reinforce the status quo and in effect, the city's celebrated plan to redistribute wealth via parcel to parcel linkage is an ineffective and incomplete effort.

## CHAPTER III

### SOCIOECONOMIC PROFILE OF CHINATOWN

#### INTRODUCTION

This chapter will provide the necessary information to examine the potential impact of the parcel to parcel linkage project job creation agenda for Chinatown workers. The BRA claims that the parcel to parcel linkage project will revitalize the economies of Chinatown and Roxbury by creating new employment opportunities for community residents. This chapter describes the socioeconomic characteristics of Chinatown residents based on 1980 census data. An analysis of these characteristics will contribute to an assessment of the economic conditions and needs of Chinatown residents. More specifically, an analysis of the data will determine the extent of Chinatown residents' participation in the secondary labor market.

The socioeconomic profile of Chinatown will provide the necessary context in which to evaluate the transferability of workers' skills and experience, the types of jobs that will be accessible to community workers and whether these jobs will substantially improve the socioeconomic status of Chinatown workers.

## METHODOLOGY

The methodology used to synthesize a socioeconomic profile of Boston Chinatown was based on an examination of 1980 census data. I analyzed data categorized according to racial group for three census tracts: 702, 704 and 705. Although only census tract 702 is within the formal geographical boundaries of Chinatown, I have included information for the surrounding census tracts, 704 and 705, formally in the South End. Census tracts 704 and 705 border Chinatown and contain a substantial portion of the Boston Asian population. Since housing in Chinatown is severely limited, many residents live in the neighboring community of the South End although they work, shop and socialize in Chinatown.

In order to assess the status of the Chinatown community relative to other Boston communities, I have used census data prepared by the BRA. The BRA organized 1970 and 1980 census data according to neighborhoods or planning districts. Chinatown is included as part of the Central (Boston) planning district which also includes such neighborhoods as South Cove, Bay Village, downtown and central Boston (financial and shopping district), West End, North End, and the Waterfront. Obviously, it is difficult to discern specific information about the Chinatown community from this data, however, census data organized by neighborhood is useful in comparing the status of Chinatown (based on census tract 702 data) with other Boston neighborhoods. Furthermore, by comparing census tract



702 data with the data for planning district Central, it is possible to assess the status of Chinatown relative to its immediate surrounding neighborhoods.

## **SOCIOECONOMIC PROFILE**

### **A. Distribution of Boston Asian Population**

Approximately 34% of the total Asian population in Boston live in or nearby Chinatown. Almost 18% of the total Asian population reside in Chinatown. The spatial concentration of Asians in primarily two Boston communities; Chinatown and South End is highlighted in BRA Table 11 which identifies the racial makeup of each neighborhood.<sup>11</sup> Central (includes Chinatown) demonstrated the greatest concentration of Asians, 16.2%. The South End followed with 11.9%. While Allston-Brighton demonstrated the next largest percentage of Asians, 5.8%, it was a significantly smaller proportion of its population than Central and the South End. The remaining Boston communities did not exhibit a substantial Asian population. In effect, the Boston Asian population is clustered primarily in two communities which, in fact, border each other geographically.

The size of the Asian population in Central Boston is increasing rapidly. Within a ten year span, the Asian population increased 137% from 1,475 in 1970 to 3,412 in 1980. On the other hand, while the absolute number of Asians in the

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<sup>11</sup> Refer to Appendix F for all tables related to the socioeconomic profile of Chinatown.

South End did increase by 9.5% from 2,923 in 1970 to 3,063 in 1980, as a proportion of the South End population, Asians actually decreased from 12.9% in 1970 to 11.9% in 1980. (BRA, 1985: 50) This situation indicates an increase in the non-Asian population of the South End.

The majority of Asians in the Chinatown area are ethnic Chinese. As Table 1 in Appendix H shows, over 76% of Chinatown residents are Asian of which 98.5% are Chinese. In the surrounding census tracts (which is formally the South End) over 60% of the population of census tract 704 is Asian of which 96.5% are Chinese and in census tract 705, 25.5% are Asian and 97.6% of them are Chinese.

#### **B. Concentration of Immigrants**

Most Asians in Chinatown and the surrounding census tracts are immigrants. About 77.5% of all Asians in the three census tracts are foreign born. (Table 2) The immigrant status of the community residents is further highlighted by Table 3 which demonstrates that almost 100% of the population in these census tracts speak a language other than english at home. The proportion of individuals over 18 years old who speak little or no english in the three census tracts is quite substantial; over 60% of all Asian Chinatown residents speak little or no english.

#### **C. Educational Level**

The lack of english speaking skills among the majority of Chinatown residents does not correlate with the level of

education obtained by these community people. Over 50% of all Asians in the three census tracts have completed at least 8 years of elementary education. This percentage of Asians who have completed an elementary education compares quite well with other Boston neighborhoods (BRA Table 12). However, Asians in the Chinatown area do not receive as much education as residents of other communities. About 17% of Asians in Chinatown, 26% in census tract 704 and 18% in census tract 705 have completed four years of high school compared to a city-wide average of 34.5%.

The percentage of college educated Chinatown area residents is small and not surprisingly, compares poorly with other Boston neighborhoods with the exception of historically white working-class neighborhoods; East and South Boston, and predominantly poor black communities; Roxbury, North Dorchester and Mattapan (BRA Table 12). Only 10% of the Asians in Chinatown and 5% in both census tracts 704 and 705 have completed four or more years of college.

The disparity between educational level and english speaking skills may be explained by the fact that while a significant number of Asians have received at least an elementary education, they were educated in a foreign language. This disparity supports the observation that a substantial proportion of the Asian population in the Chinatown area are immigrants. Furthermore, this disparity suggests that the majority of immigrants are adults.

#### D. Labor Force Participation

In spite of the language barrier faced by the Asian population in Chinatown and census tracts 704 and 705, the participation of Chinatown Asians in the labor force is quite high. According to the labor force status data of Chinatown area residents in 1979 (Table 5), almost 100% of the persons over the age of 16 who participated in the labor force worked. 97% of the Chinatown Asian labor force, 97.6% of the Asian labor force in census tract 704 and 98.1% of the Asian labor force in census tract 705 were employed in 1979. The tendency toward high labor force participation among Chinatown area Asians contributes to the general high participation rate of Central Boston. The BRA study, "Diversity and Change in Boston's Neighborhoods", (1985) claim "The highest participation rates were recorded in 1980 for Back Bay-Beacon Hill (71 percent) and Central (69 percent)." (BRA, 1985: 91)

A further characterization of Chinatown Asian labor force participation is extended work days and hours. (Table 6) Over 65% of the workers in all three census tracts worked 40 or more weeks in 1980. Of these workers, over 80% of them worked more than 35 hours per week. Furthermore, the data indicates that a substantial proportion of the Asian labor force, 45% of Chinatown's Asian labor force, 44% of census tract 704 and 43% of census tract 705, worked 50-52 weeks in 1980. Over 85% of the workers who worked 50-52 weeks also worked more than 35 hours per week.

The intensive participation of Asians in the labor force is quite outstanding when compared to other Boston neighborhoods. According to BRA Table 13, Central (which includes Chinatown) demonstrated the highest percentage of workers, 59%, who worked more than 35 hours per week for 50-52 weeks in 1979. Even so, the percentage of these workers (which includes Asians) is significantly less than the 85% of Chinatown laborers who worked extended work days and hours.

These statistics indicate that in addition to high participation in the labor force, the majority of workers in the Chinatown community worked longer than 8 hour days for most of the year with little leisure time. The harsh conditions characteristic of Chinatown Asian labor force participation is fully appreciated when contrasted with the labor force participation of other Boston residents. This data indicates that Asian workers in the Chinatown area are potentially super exploited laborers.

#### **E. Occupational Status**

Census data regarding occupation status is broken down into broad categories which prove to be a drawback in analyzing the concentration of Asians in specific occupations because the categories are so vague. To compensate for the lack of specificity, I supplemented the data with statistics from the Division of Employment Security's (DES) report on Labor Market Information for Affirmative Action Programs for Boston SMSA in 1984. Despite this drawback, the census data does provide

sound evidence of the secondary labor market status of the majority of Asian workers in the Chinatown area. The greatest concentration of Asians were in two occupational categories; 1) service and 2) machine operators, fabricators & laborers. (Table 7) The greatest concentration of all Asian laborers was in the service sector which employed 39% of Chinatown workers, 41% of Asian census tract 704 workers and 42% of census tract 705 workers. According to the Detailed Occupations by 1980 Census Occupation Code included in the DES report, 2,415 Asians in the Boston SMSA were employed in food service occupations such as bartenders, waiters/waitresses, cooks, kitchen workers, etc. Approximately 23% of Boston food service occupations was held by Asians.

As Table 7 indicates, the second occupational category which employed the greatest percentage of Asian laborers was machine operators, fabricators & laborers. Under this general category of which approximately 25% of the Asian labor force of each census tract was employed, the majority of them were machine operators which may reflect the concentration of Asian women in the garment industry. This observation is confirmed by the census data in the DES report which states that 1,252 Asian women in the Boston SMSA were employed as sewing machine operators in 1979. Asian women made up 17% of all garment workers in the Boston area. According to a publication, Our Roots in History - Commemorating the 100th Anniversary of the First Chinese Exclusion Act, co-authored by two Boston

Chinatown activists, 77% of the men in Chinatown are employed in the restaurants and 75% of the women work in the garment factories usually on a piece-rate basis. The authors write, "They work six days a week for 10-12 hours each day with low wages and no employee benefits." (Kiang and Lee, 1982: )

While there was a notable percentage of the labor force in such occupational categories as professional/managerial and technical, sales and administration, upon closer examination of the breakdown of these broad categories, very few were actually employed as traditionally defined professionals. Table 7 indicates that while 14% of employed laborers in Chinatown were classified as professional/managerial, only 40 were actually professional specialists, e.g. lawyers, doctors, etc. For census tracts 704 and 705, there were even fewer workers who were classified as professional/managerial.

The concentration of workers in the secondary labor market is further evidenced by the size of workers in clerical positions. Over 50% of all workers who were grouped under technical, sales and administration were employed in clerical jobs. The percentage is even greater for census tracts 704 and 705.

#### **F. Place of Work**

Approximately, 10.6% of Asian workers in Chinatown did not report a place of work. According to the BRA report on Boston neighborhoods, the neighborhoods with high proportions of workers not reporting place of work were Mattapan (20.6%),

Central (19.8%), Roxbury (17.2%), South End (14.5%), Charlestown (14.3%) and North Dorchester (14.3%). (BRA, p.100) The BRA rationalized this occurrence in part by noting that these neighborhoods are comprised of a significant number of minorities and immigrants. While this observation is significant, the causal relation is dubious and in fact, segmented labor market may be an more accurate explanation. The BRA report states, "One suspects that the factors of unemployment, part-time employment, multiple job sites, or job changes have made this question more difficult to answer." (emphasis added) (BRA, 1985: 100) It is significant to note that the factors which the BRA has identified as reasons why workers did not report a place of work are characteristics of secondary labor market jobs. In sum, the notable percentages of workers who did not identify a work place may be evidence of their participation in the secondary labor market.

#### G. Income

Given the substantial and intensive participation of Asians in the labor force, it is quite revealing to note that the income levels of Asian households does not bear a positive correlation to labor force participation. Table 8 indicates that the per capita income of Chinatown residents was \$4,017, for 704 residents it was \$3,509 and for 705 residents, the per capita income was \$4,429. 72% of all Chinatown households earned less than \$15,000 in 1979. In fact, as Table 9 demonstrates, Chinatown had the greatest concentration of



families earning less than \$15,000 of all Boston neighborhoods for 1979.

The median income for Chinatown households was \$9,059, in census tract 704, it was \$11,845 and in census tract 705, the median household income was \$13,879 while the Boston SMSA median household income was \$18,694. (BRA, 1985: 142) As Table 10 indicates, the median income of Chinatown families is the lowest of all Boston neighborhoods. Furthermore, the differences among the median household income for Asians in the three census tract suggest that Chinatown residents may, indeed, be more economically oppressed than Asians who live in the neighboring community.

## CONCLUSION

Boston Chinatown is home to over 2,600 Chinese people of whom 77% are immigrants. Over 34% of the total Asian population of Greater Boston resides in Chinatown or in the neighboring community of the South End. Partly due to a lack of English speaking skills, the predominant sources of employment for Chinatown community residents continue to be in the restaurant or garment industries where work hours are long and wages are low.

The parcel to parcel linkage project promises new employment opportunities for Chinatown workers which transcends traditional work activity and roles. This examination of the socioeconomic profile of the Chinatown labor force which

highlighted the dominance of non-english speaking immigrants, the small number of high school graduates and the concentration of Chinatown workers in the secondary labor market, concludes that the transition to service related industries will be very difficult for the majority of the Chinatown labor force.

Chapter Four will examine how the majority of service jobs are typically secondary labor market jobs and thus, even if Chinatown workers are able to access these jobs, it is highly unlikely that their socioeconomic status will greatly improve. In light of the socioeconomic profile of Chinatown, primarily the lack of english speaking skills, and the true nature of service sector jobs, the following chapter will evaluate the effectiveness of the parcel to parcel linkage project in addressing the economic inequality experienced by Chinatown workers.

## CHAPTER IV

### THE IMPACT OF THE ECONOMIC RESTRUCTURING OF BOSTON ON THE CHINATOWN LABOR FORCE

#### INTRODUCTION

The parcel to parcel linkage project exemplifies how local communities will be impacted by the shift of the Boston economy from a manufacturing based economy to a service economy. The parcel to parcel linkage project will accommodate the spatial demands of the central business district by extending office tower developments into the communities which immediately surround it. In addition to the physical transformation of these communities, the economic function of community workers will also be impacted.

This chapter will explore the potential impact of the economic restructuring of Boston on the labor force participation of Chinatown workers. The growth of the Massachusetts and specifically, the Boston service economy will be briefly documented. This chapter will examine the nature of service sector jobs with regards to wages and job activity in order to assess whether the anticipated job creation initiated by the parcel to parcel linkage project will improve the secondary labor market status of Chinatown workers. Moreover, based on the socioeconomic characteristics of the Chinatown labor force, this chapter will discuss the effectiveness of job

retraining as the mechanism to enable Chinatown workers to make the transition to service sector jobs.

Although the tenants of the office tower developments have yet to be determined and thus, the precise nature of these new jobs are unknown, it is possible to speculate on the types of occupations and wage scales that will be created by the parcel to parcel linkage project. By examining the existing occupational categories of an office tower economy, a general outline of potential new jobs and wages can be derived. This information will contribute to an evaluation of the future role of Chinatown workers in the Boston service economy.

#### ECONOMIC TRENDS

There has been great debate regarding the significance and implications of the emerging dominance of a national economy centered around service related industries. The expansion of service sector economic activities has been upheld as facilitating the transformation of U.S. society to a new "post industrial" society focused on the production of information rather than goods.

While the transformation may or may not be a total metamorphosis of our nation's economic and industrial structure, there is indeed a trend indicating employment growth in service related industries and substantial decline in manufacturing industries. Barry Bluestone and Bennett Harrison in their study, "The Great American Job Machine: The

Proliferation of Low Wage Employment in the U.S. Economy" (1986), contend that the national trend "reveals a continuation into the 1980's of a strong trend toward employment growth in the service sector, with literally no expansion whatsoever in employment in goods production." (Bluestone and Harrison, 1986: 3) In fact, they argue that since 1981, private sector service employment primarily in transportation and public utilities; wholesale and retail trade; finance, insurance and real estate; and business and personal services, "has been responsible for all of the total net growth in the number of civilian jobs." (Bluestone and Harrison, 1986: 3)

A report issued by the Division of Employment Securities (DES), "Massachusetts Industrial Employment Projected Changes, 1984-1995", (1986) provides ample statistics demonstrating the rapid growth of service-related industries in Massachusetts. The DES report (1986) also describes how this growth is the force behind Massachusetts' economic recovery. Over the next decade, 1984-1995, Massachusetts is projected to experience a growth rate of almost 16% generating 450,000 new jobs. Over one-half of the jobs created will be in the service sector. 85% of these new service sector jobs will be in transportation, communications and utilities, finance, insurance, real estate, wholesale and retail trade, services and government. (DES, 1986: 2) The report states that the fastest growing industry is computer and data processing which will more than double its current capacity, growing by 108%. (DES, 1986: iv)

The specific service industries anticipated to undergo extensive economic growth in Massachusetts over the next decade are: a) business services accounting for approximately 87,500 of the new jobs; b) health services by 27%; c) financial services by 16% especially in banking services which will gain over 6,400 new workers. The number of insurance carriers/agents and real estate employees are anticipated to also increase significantly; d) durable goods manufacturing industries are expected to grow by almost 12% producing defense related technology and much of the hardware necessary for the operation of an "information society": office computing machinery, communications equipment, electronic computers and accessories and guided missiles; e) wholesale and retail trade, specifically food service industries, i.e., eating and drinking places; f) construction which is reported to be "one of the fastest growing sectors in the Massachusetts economy." (DES, 1986: vi)

The two sectors of the Massachusetts economy expected to decline are nondurable manufacturing and employment in the public sector. The DES report (1986) states that 28 of 43 nondurable industry groups or 65% of all nondurable goods manufacturing is projected to decline by 6.5% which is greater than the national projected decline rate of 2.5%. The specific impacted industries are textiles, apparel, leather and food and dairy products. The public sector share of employment, i.e.,

government employment is also expected to decline, from 6.2% to 5.4% of total Massachusetts employment.

There is no doubt that the Boston economy is undergoing a transformation characterized by a shift from manufacturing industries to service-related industries. The rapid saturation of downtown Boston with high-rise office towers and the increasing pressure to expand beyond the financial district is evidence of Boston's full participation in the service economy boom. In sum, Boston is well underway to becoming a "global city" which, according to Saskia Sassen-Koob, is a "center(s) for the servicing and management of the vastly decentralized manufacturing sector and for the globalization of economic activity generally." (Sassen-Koob, 1984: 149) According to a Boston Globe article dated January 23, 1986, Boston's central business district vacancy rate of 8% is the second lowest of all cities in the United States. (The lowest central business district vacancy rate is experienced by Manhattan, NY) The survey conducted by a New York based real estate brokerage firm, Cushman and Wakefield, ranked Boston as having the second most expensive rental fee of \$50 per square foot, \$20 less than Manhattan which ranked first. However, in sharp contrast to the office rental status of downtown Boston, the Cushman and Wakefield survey cites Boston's suburban office vacancy rate as 16%, twice that of Boston.

The emergence of a service economy and the pressure to centralize this economic activity in the downtown Boston can be

discerned from the Cushman and Wakefield survey. These growth trends are affirmed by the BRA interim report which claims that the 42 large firms in downtown Boston are expected to expand and "will need office space that is competitively priced, and lower priced back office space where support services could be relocated." (BRA, 1986: 42) In light of the notable suburban office vacancy rate, the magnitude of subsidy that will be necessary to ensure that back office space in Roxbury is competitively priced will be quite substantial.

During 1985-1986, Boston gained 15,645 new jobs in the financial, insurance, real estate, medical, educational, business and professional sectors. (DES, 1987: 2) The private sector accounted for 75% of these newly created jobs. (DES, 1987: 2) In 1970, 38% of Boston workers were employed in the finance, business, health, education and professional service sectors, whereas in 1980, 46% of Boston's workers were employed in these sectors. (BRA, 1985: 95) Between 1983 and 1990, Boston is expected to gain 72,000 new jobs primarily in communications, finance, management and other business and professional services. (BRA, 1985: 12)

The expansion in "white collar" occupations is accompanied by a general erosion of the manufacturing job base. During the period, 1970 - 1980, the number of workers in such occupational categories as craftsmen and foreman, operatives, transportation operatives and laborers fell from 28% of Boston's workforce to 21%. DES (1987) reports that between 1985-1986, the Boston



manufacturing sector experienced a 5.8% decline in its job base meaning a loss of 2,432 jobs. In the Boston garment industry alone, 10 factories each employing an average of 60-350 women each have shut down since December 1985.<sup>12</sup> However, in spite of manufacturing decline, the DES report (1986) optimistically states, "While new technology has caused worker displacement, and the effect of recovery has not been the same for everyone, more people than ever are employed and incomes are rising." (emphasis added) (DES, 1986: iv)

#### ECONOMIC RESTRUCTURING AND JOB OPPORTUNITIES

Much of the adulation regarding the expansion of service related industries rests with certain misconceptions about the nature of service sector jobs. As the previous quotation from the DES report (1986) implies, service sector jobs are generally associated with high wages. Service jobs are also characterized as "brain" jobs necessitating education and training. Moreover, service jobs are supposedly less labor intensive than manufacturing jobs and command greater prestige and skill. However, current research on the growth of the service economy and its impact on labor markets has provided substantial evidence which challenges the assumptions about the nature of service jobs. Sassen-Koob (1984) notes,

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<sup>12</sup> Phone conversation with Terri Oshiro, Program Director of the Workers Assistance Center in Boston Chinatown, 4/10/87

Not all white-collar jobs are highly desirable; sales and clerical occupations, which tend to be low-paid and are more likely to be part-time and intermittent, actually account for a little over half of all white-collar jobs. (Sassen-Koob, 1986: 149)

In fact, research on the service sector job creation soundly concludes that the share of low wage jobs is, in fact, much higher in the service sector than in manufacturing. As Richard Walker in his article, "Is There a Service Economy? The Changing Capitalist Division of Labor", (1985) writes, "These crude notions have been subject to devastating empirical refutation: the bulk of "service" jobs are low paying, low skill, dead-end, and occupied by women and minorities." (Walker, 1985: 45)

Nationally and locally, new jobs are primarily the outcome of service sector expansion. This trend raises immediate concerns regarding the true nature of service jobs for the majority of working people. A DES report (1986) states, "Although some service jobs require little skill and pay close to the minimum wage, others (such as law, medicine, engineering, advertising, accounting, and data processing) have high productivity and earnings growth." (DES, 1986: 6)

Unfortunately, current research has demonstrated that the service jobs which "require little skill and pay close to the minimum wage" are the fastest growing sector of service jobs. Stanbeck and et. al., in their study, "Services: The New Economy" (1983), contend,

(t)here is abundant evidence that a very large support system of relatively low skill clerical and service-worker type jobs is still required in order for the more elite and well-paid sectors of professionals, managers and technicians to carry out their daily tasks under existing institutional and organizational arrangements. (Stanbeck, 1983: 87)

This observation is affirmed by Sassen-Koob (1984) who proclaims,

There is a strong tendency to assume backward jobs to be part of backward sectors. Yet, low wage, dead-end jobs can be part of the most dynamic sectors of highly advanced industrialized economies. (Sassen-Koob, 1983: 164)

Bluestone and Harrison (1986) note that low wage jobs are gaining prominence in the service sector. They contend that historically, a greater proportion of service sector jobs have been low wage compared with manufacturing jobs. More importantly, this trend of low wage service jobs is expanding and comprising a majority of the new jobs created. They write,

Traditionally, two out of every five jobs in this sector have been low wage, compared with less than one in five in manufacturing. This ratio does not seem to have significantly changed over time, although the number of low wage service jobs has been creeping up since 1979 with half of all net new employment in services being low-wage. (Bluestone and Harrison, 1986: 38)

In fact, Bluestone and Harrison's (1986) study of income distribution among the major U.S. industries and occupations demonstrated that between 1979 and 1984, 58% of all net new employment paid annual wages of less than \$7,000. (Bluestone and Harrison, 1986: 43)

A critical feature of the service economy is that it necessitates the expansion of a low wage, low skill job base to continue servicing a professional/managerial elite. According

to a 1987 DES report on the employment trends in the Boston service delivery economy, among the top twenty two occupations expected to generate 50% of the job growth in Boston are: salespersons, janitors, porters, cleaners, waiters/waitresses, cashiers, guards and doorkeepers, and kitchen helpers.<sup>13</sup> As Sassen-Koob's (1984) research demonstrates,

The major service industries shows a significant presence of low wage jobs, particularly a subcategory of low wage jobs with few if any skill and language requirements and no history of unionization - in brief, jobs that both demand the existence and contribute to the expansion of an underclass. (Sassen-Koob, 1984: 154)

This aspect of service sector growth bears significant ramifications for future employment opportunities, particularly for women and people of color. More and more newly created jobs in the service economy are characteristically secondary labor market jobs. According to Stanbeck et. al., (1983)

Poorly paid service jobs are likely to be poorly sheltered (without internal labor markets, benefits, job security, etc.) and to be part-time in nature. They are also more likely to be held by women, young people or members of minority groups than are better paid service jobs or non service jobs in general. (Stanbeck, 1983: 87)

Bluestone and Harrison (1986) noted that not only did low wage service sector jobs proliferate between 1979 and 1984 but this new growth was actually accompanied by a national decline of 5.5% or 440,000 high wage jobs.

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<sup>13</sup> For a complete listing of the twenty-two occupations expected to generate 50% of the Boston job growth and the net change of the job growth in total numbers, refer to Appendix G.

The observation that a substantial number of jobs created on the national and local level are predominantly low wage jobs potentially signifies a "shifting toward an increasingly polarized labor market structure." (Bluestone and Harrison, 1986: 4) In effect, the most notable impact of service sector growth is rapid movement toward a greater dichotomization of good versus bad jobs or in other words, a move toward greater income inequality as people will be concentrated in either high wage or low wage jobs. Stanbeck et. al., describes this phenomenon,

For the U.S. economy, the net result of combined job increases and decreases in services and non services has been a tendency in both periods for employment growth to be greater in the upper and lower earning ranges than in the middle. (Stanbeck, 1983: 79)

Essentially, the expansion of a service sector job base heightens the segmentation of the labor market. The attributes of service sector work seriously undermines the general notion that service economic growth upgrades the nature of work and wages for all. This understanding is especially important for local community organizations who develop strategies to increase employment opportunities for low-income people, people of color and women. Not only has research conducted by Bluestone and Harrison (1986), Stanbeck et. al., (1981) and Sassen-Koob (1984) among many others demonstrate that the economic exploitation of people of color and women will continue but equally as important, that there is a tendency toward an extreme kind of economic dualism characterized by the

co-existence of two types of economic classes, the very rich and the very poor. As Sassen-Koob (1984) contends, "(T)he overall growth in service jobs contains a very pronounced inequality in terms of income." (Sassen-Koob, 1984: 156) The long-term implications of this trend are noted by Bluestone and Harrison (1986), "If this pattern of development continues, the standard of living of a growing proportion of the American workforce will be significantly jeopardized." (Bluestone and Harrison, 1986: 5)

#### **PARCEL TO PARCEL LINKAGE JOB CREATION AND IMPACT ON CHINATOWN WORKERS**

An important element of rebuilding a neighborhood economy is job creation. Employed residents exercise purchasing power which stimulates commercial activity and economic growth. The BRA recognizes that job opportunities are integral to the revitalization of economically depressed communities. The BRA claims that the parcel to parcel linkage project will stimulate the economies of Chinatown and Roxbury by "provid(ing) opportunities for neighborhood business expansion and access to jobs otherwise unattainable." (emphasis added) (BRA, 1986: 22) The primary stimulus for opportunity and employment is office tower development. The BRA Bulletin (1986) states,

For Chinatown, the development of office and retail space and a hotel complex at the nearby downtown Kingston-Bedford/Essex Street could not only strengthen the existing economy, but also allow Chinatown residents to build beyond traditional economic limits with regard to job diversity and occupational mobility. (BRA Bulletin, 1986: 15)

While the employment opportunities created by the parcel to parcel linkage project may indeed introduce "job diversity" to a labor force employed predominantly in restaurants and garment factories, the nature of these new service jobs will not substantially improve their economic status. Research on the nature of service sector employment has demonstrated that the majority of service jobs are predominantly low wage and low skill. In light of labor market segmentation based in part on the racial division of labor and the historical role of immigrant labor, it is highly probable that the parcel to parcel linkage project will merely re-circulate Chinatown workers among secondary labor market jobs. Furthermore, based on the limited english speaking skills of the Chinatown labor force, it is highly probable that many workers will either not make the transition to service jobs or only access such occupations as janitors, fast food preparation or kitchen helpers which require minimal english speaking ability.

Chapter Three detailed the socioeconomic status of Chinatown workers and noted some characteristics which define the labor force participation of Chinatown workers. Many Chinatown residents are non- or limited english speaking immigrants who have received minimal education in their homeland. Since the majority of Chinatown workers are employed in restaurants or garment factories, the transferability of their job skills is limited. In light of the declining manufacturing job base, when workers are displaced, retraining is sought as the

mechanism to enable these workers to re-enter the labor force. The type of job training that displaced workers undergo typically reflect the constraints of workers' language facility and education. More importantly, job training prepares workers with specific skills for specific types of jobs.

Current retraining efforts of displaced Chinatown workers clearly indicates the new role of the Chinatown labor force in the emerging Boston service economy. The experience of the P & L garment workers is an important case study to explore the potential job retraining efforts of the parcel to parcel linkage project.<sup>14</sup> Approximately 140 displaced P & L workers are currently enrolled in training programs or English as a Second Language (ESL) classes. 70 of these workers are enrolled in the Roxbury Community College training program and are learning skills in food service, banking, clerical or daycare. 20 workers are enrolled in a privately contracted program with the Saluti Company learning skills related to insurance, mutual funds and banking. The remaining 50 workers are enrolled in ESL classes and the status of their retraining program is "very shaky" since there is no commitment from the state or the federal government regarding training funds coming

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<sup>14</sup> The P & L Sportswear Company finally closed its doors on December 1985. Approximately 200-250 Chinese women were displaced as a result. A long struggle for unemployment benefits and retraining funds followed. For more information on the P & L workers struggle, refer to Appendix H.



fiscal year.<sup>15</sup> It is important to note that the banking skills taught to these workers entail "back office" services, e.g., data entry, counting checks and key punching. The retraining efforts for the displaced garment workers indicate an obvious shift from their participation in manufacturing to potential new roles in the service economy. However, the jobs which these workers are being trained for are low wage and typically the most "deskilled" service sector jobs. As Sassen-Koob (1984) observed in her research of labor force participation in the New York and Los Angeles service economies,

An examination of the job supply in high-tech industries shows a massive expansion in low wage assembly line jobs, most not unionized and held by immigrant or native minority women. (Sassen-Koob, 1984: 149)

As noted earlier, while the precise nature of the jobs that will be created by the parcel to parcel linkage project are not determined yet, the following is an outline of the possible jobs and wages created by an office tower and hotel.

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<sup>15</sup> Phone conversation with Terri Oshiro, Program Director of the Workers Assistance Center in Boston Chinatown, 4/10/87.

<u>Occupation</u>	<u>Entry Level Wage</u>
<b>Managerial/Administrative</b>	
Financial Managers	\$20,000 - \$32,000
General Managers & Top Executives	\$25,000 - \$35,000
<b>Professional, Paraprofessional and Technical</b>	
Accountants and Auditors	\$15,000 - \$22,000
Buyers & Purchasing Agents	\$15,000 - \$20,000
Computer Programmers	\$18,000 - \$20,000
Systems Analysts	\$21,600 - \$25,000
<b>Clerical and Administrative Support</b>	
Billing, Cost & Rate Clerks	\$10,400 - \$13,520
Bookkeeping, Accting. & Auditing Clerks	\$11,700 - \$15,600
Computer Operators	\$12,480 - \$14,300
Data Entry Keyers	\$10,920 - \$11,960
Duplicating Machine Operators	
General Office Clerks	\$10,400 - \$13,000
Mail Clerks	\$10,400 - \$13,000
Messengers	\$10,400 - \$11,960
Order Clerks	\$9,360 - \$12,480
Payroll & Timekeeping Clerks	\$10,400 - \$13,000
Procurement Clerks	\$11,440 - \$14,560
Receptionists	\$10,400 - \$11,700
Secretaries	\$11,700 - \$14,300
Stock Clerks	\$8,944 - \$13,650
Clerical Admin. Support	\$13,000 - \$18,200
Switchboard Operators	\$10,608 - \$11,700
Typists	\$9,360 - \$12,480
Typists, Word Processing	\$10,920 - \$13,000
<b>Service</b>	
Guards & Watch Guards	\$9,880 - \$12,480
Janitors & Cleaners (excluding maids and house cleaners)	\$8,320 - \$10,400
Supervisors & Mgrs. - Service	\$14,560 - \$20,800
<b>Hotels and Food Service</b>	
Bartenders	\$11,856
Baggage Porters	\$5,200
Bellhops	\$5,200
Cooks	\$13,350
Doormen	\$5,200

<u>Occupation</u>	<u>Entry Level Wage</u>
<b>Hotels and Food Service (cont'd)</b>	
Elevator Operators	\$11,856
Kitchen Workers (food preparation)	\$8,320
Hotel Clerks	\$11,856
Host/Hostesses	\$12,480
Housekeepers	\$10,400
Maids	\$10,400
Waiters/Waitresses	\$5,200
Waiters/Waitresses' Assistants	\$4,160
<b>Sales</b>	
Cashiers	\$10,400
Sales Counter Clerks	\$10,400
Sales Workers	\$8,840

SOURCE: Data from DES report "Analysis of Employment Trends in the Boston Service Delivery Area", Boston Hotel Workers and Bartenders Union, Local 26 and Boston Globe Help Wanted Ads, April 26, 1987.

The minority development proposals do not specify the precise nature nor number of jobs to be allocated to community residents. The proposals merely echo the BRA promise of job creation and economic revitalization of Chinatown and Roxbury. However, given the socioeconomic constraints of the community residents and the direction of current retraining efforts, Chinatown and Roxbury workers will be channeled to occupy the lower stratum of the office occupational hierarchy characterized by low wages and lack of opportunity for job advancement. Essentially, the secondary labor market status of community workers will not improved by the parcel to parcel linkage projects.

The jobs that will be available to Chinatown and Roxbury residents are typically what Gordon (1972) describes as "menial, requiring little mental or physical dexterity", "low wages and conferred minimal status", "quality of working conditions are poor", "completely isolated and not connected to job ladders of any sort." (Gordon, 1972: 45) In short, the jobs that are accessible to Chinatown and Roxbury workers merely reinforce their concentration in the secondary labor market. Moreover, based on the P & L workers experience, there is great concern whether the retrained workers will be qualified to obtain even menial service jobs. Janet Bugoslaw, Program Manager at the Industrial Services Program which funds retraining programs for dislocated workers, indicated that the P & L workers will have difficulty accessing any service job due to their limited english speaking skills. Furthermore, she expressed doubt that the workers will be able to gain employment that pays more than \$5.25 per hour or an annual income of \$10,920.<sup>16</sup>

#### PARCEL TO PARCEL LINKAGE JOB CREATION AND HUMAN CAPITAL THEORY

In addition to job creation, the parcel to parcel linkage project is expected to generate \$2 million dollars in job training funds. Job training will prepare community residents to access the new jobs. However, the types of jobs that

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<sup>16</sup> Meeting with Janet Bugoslaw, Program Manager at the Industrial Services Program on April 28, 1987.

community residents will be trained for will not substantially impact their current socioeconomic status. Chinatown and Roxbury workers will be re-circulated within the secondary labor market of the new service economy. As Harrison (1972) contends,

(E)valuations of conventional private and public sector employment manpower training programs have show that the jobs for which ghetto dwellers are trained in these programs tend to resemble the very same unskilled, low wage jobs which the trainees (or their peers) held in the past. (Harrison, 1972: 21)

Equally important in a discussion of job training as a strategy to improve the labor participation of Chinatown workers is that the ideological and economic rationale for job training is based on a specific conceptualization of the operation of the labor market. It is imperative to recognize that while training may be a pragmatic method to teach new job skills, training as a solution to overcoming job barriers refer to a particular understanding of labor force participation which ignores structural barriers to employment and individualizes one's ability to access certain jobs.

Job training is centered around improving the skills or "human capital" of individuals. Human capital theory proposes that people are in low productivity jobs because they lack skills and education. In effect, these workers are blamed for their inability to access high paying jobs since it is assumed that their exclusion from good jobs is due to their lack of the appropriate credentials. The solution to remedying unemployment or underemployment is then to invest in the human

capital of low wage or unemployed workers through extensive training.

The human capital approach to resolving problems of unemployment and poverty is based on certain assumptions about the operation of the labor market. Most importantly, is the assumption that perfectly competitive markets exist. According to neoclassical economic theory, a perfect market is characterized by rationality, competition, access to full information and maximizing behavior. Structural barriers to employment such as racism and sexism are dismissed as externalities. Thus, human capital theory "maintains the assumption of perfect markets while focusing on the heterogeneity of the labor force in explaining wage and employment differentials." (Malveaux, 1984: 101) In other words, human capital theory identifies the personal attributes of laborers as the source of the problems. The supply of labor rather than the inequities of the market becomes the object of reform.

Moreover, evaluations of manpower training programs which proliferated during the 1960's has claimed that these training programs often failed in their objective to secure well paying employment for training recipients. Although it is beyond the scope of this study to detail the findings of such studies, it is sufficient to cite Harrison's (1972) observation of the impact of training on the labor status of ghetto workers,

I have found that the opportunity costs to ghetto residents of undertaking such individualistic actions as investments in education and training are much higher than has ever been suspected heretofore. Indeed, in many cases, these investments have had no statistically significant payoff at all. (emphasis added) (Harrison, 1972: viii)

Equally as critical in assessing the effectiveness of job training as a strategy to improve the labor participation of workers is whether training actually enables workers to access better jobs. In the case of the P & L workers, there are no guarantees as to the placement of retrained workers in new jobs. The training program representatives have agreed that they will try to place approximately 60% - 70% of the retrained workers. In addition, representatives from the city and state have verbally consented to place the remaining trained workers. However, as of yet, there is no way to enforce these agreements and thus, job placement remains a tenuous aspect of job training programs.

## CONCLUSION

The parcel to parcel linkage project is anticipated to create approximately 4,000 permanent jobs for Chinatown and Roxbury respectively. Before this project can be upheld as a model for community economic development, it is necessary to frame the project within Boston's overall economic context. Based on the national and local economic trends, it is quite clear that the objective of the parcel to parcel linkage project is to service the economic restructuring efforts of Boston, both spatially and economically.

The parcel to parcel linkage project based on developing office towers and initiating commercial activities will certainly create jobs. However, it is necessary to examine the true nature of service sector employment opportunities and the ability of community residents to obtain these jobs before this project can be upheld as a model for local economic development. This section has discussed several studies which conclude that the majority of jobs within the service sector are low wage and low skill. Within the existing socioeconomic status of Chinatown and Roxbury residents based on structural constraints as defined by race and ethnicity, class, sex and the segmented labor market, to conclude that these residents will access only those jobs which are low wage and low skill is realistic.

The job linkage funds will be directed toward retraining programs oriented to preparing the labor force to undertake low level service jobs. The strategy to incorporate community residents in the emerging service economy rests with the prospect of endowing them with the human capital or skills to continue to service the professional/managerial sectors. These funds will be utilized to guarantee the necessary pool of janitors, food service workers, and clerical workers. However, the Chinatown labor force faces particular barriers to even these low level jobs. The magnitude of non-english speaking ability among the majority of Chinatown workers undermine the BRA assumption that the jobs created by the Kingston-



Bedford/Essex Street developments will "benefit" community residents.

Although training is a necessary component of an employment strategy for Chinatown workers, it is an insufficient solution to the economic inequality experienced by these workers. Training focuses only on the supply side of the labor market, i.e., the workers. However, the barriers to employment for workers of color are often a result of the demand side of the labor market. A Boston Globe article on 1/29/84, described the prevalence of discriminatory hiring practices among Boston employers. Workers of color were "drastically underrepresented in jobs ranging from department store managers to secretaries in high-technology firms to janitors" and even in "jobs that require minimum training and few specialized skills." (Boston Globe, 1/29/84) The article cited a study conducted by the Equal Employment Opportunity Commission which demonstrated that Boston ranked first among major U.S. cities whose workers of color were overrepresented in low paying jobs.

The BRA strategies to remedy economic inequality and "redistribute wealth" do not suffice nor do they adequately address racist hiring practices which has historically excluded workers of color from "good" jobs. The parcel to parcel linkage project guidelines do not specify what types of jobs or how many jobs will be accessible to community workers. The BRA has not identified any affirmative action goals for the parcel to parcel linkage project job creation agenda. In addition,

the BRA has not specified how the parcel to parcel linkage project is to comply with the Boston Residents, Boston Jobs ordinance. In sum, the objective of the project to improve the economic viability of Chinatown and Roxbury residents is a contestable point. Essentially, the question which emerges from this analysis is who benefits from the parcel to parcel linkage project?

## CHAPTER V

### STRATEGIES FOR REDISTRIBUTING WEALTH

#### INTRODUCTION

The objective of the parcel to parcel linkage project to share downtown wealth with local communities is indeed an ambitious one and may even serve as a model for "socially conscious" development. However, the proposed strategies to achieve this redistribution of wealth, as presently stated in the BRA guidelines and minority development proposals, are at best, incomplete. According to the BRA, minority participation and equity sharing are the primary strategies to reallocate downtown wealth. Community residents benefit from linkage fees which will strengthen the infrastructure of the Chinatown and Roxbury neighborhood economies by providing affordable housing and job training programs.

This chapter will focus specifically on job creation and training as two proposed methods to share downtown wealth with community residents. In order to assess the potential of office tower based job creation to transform the socioeconomic status of community workers, it is necessary to review how the labor force participation of Chinatown workers will be impacted by the emergence of a service economy. The framework of training to facilitate the transition to these new jobs will also be discussed. Based on the secondary labor market nature of the majority of service sector jobs, this chapter will

discuss how training, alone, does not suffice as a solution to economic inequality.

The struggle for community-based economic development is centered around who controls the land, labor and capital of a community. The parcel to parcel linkage effort to redistribute wealth does not constitute community-based economic development, in part, because the proposed strategies to share wealth do not reallocate control or resources to the communities. The concept of community control is essential in the development of a neighborhood economy which serves the interests of community residents and ensures the long-term viability of a community. In sum, the parcel to parcel linkage project falls short of achieving its objective since the transfer of wealth or control over resources does not take place.

This chapter will explore two alternative or rather supplementary strategies which will contribute towards the parcel to parcel linkage objective: unions and workers cooperatives. Unions and workers cooperatives are based on organizing workers to leverage greater control over their labor. Unions and workers cooperatives are institutions which challenge the unequal relation between labor and capital since they serve as mechanisms to advance and protect workers rights and interests. This chapter will discuss how unions and workers cooperatives will instill a viable avenue for community ownership and control over two important elements of a

neighborhood economy - labor and capital and thereby, a true process of redistribution of wealth will begin.

## TRAINING

The BRA estimates that approximately 4,000 permanent jobs will be created by the parcel to parcel linkage projects for Chinatown and Roxbury, respectively. Approximately 40% of the jobs are professional/managerial jobs while the remaining are support service occupations and thus, readily accessible to retrained community workers. The job linkage fund will provide the resources to train community people to access these new service jobs. The P & L workers experience demonstrates how the Chinatown labor force, characterized predominantly by non-english speaking immigrants presently employed in restaurants and garment factories, are being prepared by training programs to make the transition from low skill manufacturing jobs to low skill service jobs. William Tabb in his book, The Political Economy of the Black Ghetto (1970) observed that the experience of the 1960's Manpower Development and Training Program,

received popular approval, in part, because education and training seem to be ways to 'help the poor help themselves' and partly because training in this program has rarely been tied to job openings where blacks can compete with whites, after they are trained, for desirable positions. (emphasis added) (Tabb, 1970: 122)

In effect, Chinatown and Roxbury workers are being trained for jobs which other workers, notably white workers, do not want. In light of the nature of service sector jobs, a key question

then emerges from the P & L experience, is it plausible that these workers' socioeconomic status will substantially improve as food service workers, clerical workers, key punchers, and daycare workers? This concern posed in a more positive way is: given the existing socioeconomic constraints of Chinatown workers, are the linkage funds being utilized to maximize the human capital of Chinatown workers?

The impact of current training programs on improving the secondary labor market status of Chinatown workers is highly questionable. Retraining workers to perform menial job specific skills will minimally impact their access to "better" jobs. Training, in this case, will merely recirculate some workers within the secondary labor market by transferring these workers from declining manufacturing industries to service related industries while other workers may not be able to access any service sector jobs. Essentially, training as strategy to address the economic inequality experienced by Chinatown workers is an incomplete solution for two reasons: training does not penetrate the structural segmentation of the labor force and secondly, the limited scope of the proposed training does not fully develop potential human capital.

Chapter One described how the labor market functions as two distinct markets: the secondary and primary market. The allocation of workers to each of the segments is a dynamic process shaped to a large degree by the racial and sexual division of labor. Segmented labor market theory highlights

how the economic structure operates systematically to divide laborers. The qualitative social and economic returns to workers vary greatly depending on their labor market status since each segment is characterized by a substantial disparity in wages, work conditions, stability, work activity, and skill requirements. If the barriers to accessing the primary labor market is institutionalized and inter-segment mobility is highly restricted, training as a solution to economic inequality is essentially insufficient. Training reforms individual workers and not a labor market whose operation is based, in part, on the racial and sexual division of labor.

A further elaboration on the constraints of job training as a strategy to redistribute wealth is the limitations of training to fully develop the potential human capital of people. While training will teach individuals new job skills, the widely accepted approach of training programs is to teach job-specific skills. Therefore, since the majority of service jobs that will be created by the parcel to parcel linkage projects are low skill, the BRA claim that these jobs will allow workers to transcend traditional work conditions is highly unlikely. Because the service jobs that will be available to workers are characteristically secondary labor market jobs, to train workers to access these new jobs is to define training as limited to transferring specific minimal job specific skills. Furthermore, the jobs that workers will be prepared for do not have internal labor markets, i.e.,

potential for advancement, this projection coupled with the fact that the transferability of their new skills are probably limited leads to the conclusion that training will, essentially, reinforce their secondary labor market status.

Although training may be a pragmatic approach to transferring marketable skills to workers who are constrained by education, language, time, etc., to pose training, especially for low level service jobs, alone as a strategy to redistribute wealth to community people is a deception. Therefore, in an effort to address some of the institutionalized barriers to employment for workers of color, the BRA must minimally agree to and fulfill affirmative action goals, e.g., 100% job placement upon retraining.

#### STRATEGIES FOR REDISTRIBUTING WEALTH

In light of the socioeconomic constraints of the Chinatown labor force and the limits of training as a tool to improve the labor market status of these workers, this section will discuss two possible strategies to supplement the job creation and training agenda of the parcel to parcel linkage project. Unions and workers cooperatives make important contributions to building a neighborhood economy and thus, should be integrated as strategies to redistributing wealth to local communities.

In a most fundamental way, unions and workers cooperatives redefine a relationship between labor and capital characterized by the expropriation of surplus labor from workers in the form



of profits. To address economic inequality is a necessary aspect to any development process intended to redistribute wealth to community people. However, to have a long lasting impact on economic inequality, the parcel to parcel linkage plan needs to address building community based institutions which will develop human capital and begin to reappropriate the wealth created by workers. In effect, any efforts to redistribute wealth to truly reform economic inequality and not merely to perpetuate a dependence on benevolent state policies centered around a "trickle down" approach of sharing wealth must incorporate forms of worker and community control.

## UNIONS

In their simplest form, unions are advocates for workers rights. Unions organize workers to leverage for higher wages, better work conditions and fair treatment. Workers interests are represented by unions which also serve to protect them from exploitation and abuse. Unionization can increase wages as evidenced in the experience of Boston hotel workers where unionized wage scales are at least one dollar more per hour than non-unionized entry level wages.<sup>17</sup>

Labor market segmentation theory demonstrates that access to the primary labor market is primarily through educational credentials, notably a college degree. While obtaining a

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<sup>17</sup> Conversation with representative from Boston Local 26 Hotel Workers and Bartenders Union on April 17, 1987.

college education is an unrealistic objective for many Chinatown workers, the presence of unions can successfully improve working conditions and earnings by instituting certain features of primary labor market jobs, namely job stability and security. Thus, the introduction of unions in typically "bad" jobs may serve to transform these jobs into better jobs. In effect, unions, as a strategy for collective action, will serve as an organizing tool to leverage greater worker control for better wages and work conditions and moreover, institute job ladders for possible advancement.

It is widely known that the labor movement in the United States has a long and scarred history. Exclusion of people of color and women in unions is not an uncommon occurrence. Among workers of color, the concept of unions being white protectionist organizations which have little to offer to workers of color is unfortunately, often a legitimate perception. Thus, the viability of unions as an advocate for workers of color must be evaluated carefully. Often, the receptiveness to unionization must be cultivated in a case by case approach. Given the success of workers struggles, Watsonville Cannery Workers in Los Angeles and the P & L Garment Workers in Boston Chinatown to name but two, labor struggles must be based in community organizing. Since the parcel to parcel linkage jobs will be in the communities, the conditions are appropriate for community-based labor organizing and unionization. However, due to past experiences with

unions, conscious efforts must be made to incorporate workers of color in positions of leadership. In addition, anti-racist policies and standards must be enforced.

The trends and characteristics of a service economy provide an environment which make unions a viable strategy for worker control. The service economy, as witnessed by the parcel to parcel linkage project, tends toward spatial centralization. Furthermore, many service occupations are unlikely to be outsourced or relocated since they are based on direct human interaction, e.g., waiters/waitresses, receptionists, and hotel clerks. Workers can, in effect, exert additional leverage for the threat of companies shutting down or moving away is highly unfeasible.

Another feature of the Boston economy which enhances the viability of unionization is the current tight labor market. A Boston Globe article dated 4/19/87, "Downtown Firms Cite Lack of Clerical Help", cites an office survey completed by the BRA which found that 79% of employers in the financial district have difficulties locating and hiring secretaries and clerical workers. The shortage of labor enhances the leverage that organized workers can exert on employers for better wages and benefits. In sum, the pressure toward spatial agglomeration of service industries provide an setting where all workers are centrally located and more importantly, organized efforts due to a tight labor market can indeed bear substantial impact on the operation of the service economy.

Unionization is a viable strategy to redistribute wealth to community workers and should be incorporated in the parcel to parcel linkage project job creation and training agenda. Important sectors of the Boston downtown economy such as construction and hotels are already organized. In addition, there is great potential to organize clerical and sales workers. Unions, such as Boston Local 26 Hotel Workers and Bartenders Union, should be encouraged to participate in the parcel to parcel linkage training programs. Their role can be to inform workers of their rights and to educate workers about unions and labor history. Union membership should be encouraged upon job placement. By presenting opportunities where unions can outreach to workers and encourage them to become members will greatly enhance the long term strategy for economic equality.

#### **WORKERS COOPERATIVES**

Workers cooperatives, first introduced in 1956, were granted legal status in Massachusetts in 1982 when Chapter 157A was added to the Massachusetts General Laws. Workers cooperatives are worker owned and controlled businesses and as such, they fundamentally transform the relation between labor and capital. Unlike traditional relations between workers and employers, workers cooperatives are based on a labor theory of property which states "people should have the rights to the (positive and negative) fruits of their labor". The

underlying principle of the labor theory of property proposes that "those who invest labor, not those who invest capital, are entitled to profits the enterprise generates." (ICA) Thus, profits and decision making power are shared equally among all workers and not just management and capitalists.

According to the Industrial Cooperative Association (ICA), a consulting group based in Somerville, Massachusetts, there are presently two hundred worker-owned cooperatives of which the majority employ fewer than 50 workers. Workers cooperatives are similar to small businesses as both types of enterprises face the same risks, most notably, failure rates. The failure rate for all small businesses is 80% within the first five years of operation. (ICA, p.2) Therefore, in ICA consultations with workers who are interested in buying out plants faced with closure and setting up a worker cooperative, ICA seeks three of the following six factors before recommending employee takeover:

1) **Leadership:** a person(s) who can provide entrepreneurial and management experience 2) **Market and product:** Is there a market for the products? 3) **Capital Needs:** a) how capital intensive will the new business be? b) how much money is available for the new enterprise from workers and private and public financial institutions? 4) **Assets for sale:** equipment, inventory, patents, plant, etc. 5) **Skill base of workforce** 6) **Time:** limited time is a factor in plant closings but not necessarily establishing new workers cooperatives. (ICA, p.3)

Training can assist in fulfilling at least three of the above factors for a successful workers cooperative. Training oriented towards developing the potential human capital of workers rather than transferring menial job-specific skills, can educate workers about workers cooperatives and/or unions and teach the necessary skills to participate in a workers cooperatives, e.g., basic marketing, accounting, and business skills.

An important aspect of the BRA guidelines for the economic revitalization of Chinatown and Roxbury is the channeling of a portion of the profits generated by the parcel to parcel linkage projects toward entrepreneurial development in the communities. The establishment of small minority owned businesses will stimulate new economic activity in the communities. Each of the minority development proposals has included provisions for a venture capital fund for small business development. This resource can provide in part, the necessary capital for setting up workers cooperative.

In order to truly redistribute wealth in an empowering manner which affects the greatest number of community people possible, the venture capital fund should not be focused merely on facilitating the development of existing small businesses in the communities. Rather, workers cooperatives are a viable and powerful way to stimulate economic development which truly redistributes wealth to community workers by generating long-term employment. Therefore, a portion, if not all, of the

venture capital funds should be directed toward the creation of workers cooperatives.

Workers cooperatives, presented as small businesses, will greatly enhance community and financial institutions' receptivity. Workers cooperatives in a service economy conceivably can transform the nature of low wage, low skill jobs. Sassen-Koob (1984) notes that,

All the various components of high-income gentrification are labor intensive: residential building attendants, workers productivity producing services or goods for specialty shops and gourmet food shops, dog walkers, errand runners, cleaners of all sorts, and so on. (Sassen-Koob, 1984: 157)

However, if the relation between workers and employers can be redefined in a way where workers can share profits and decision-making, i.e., workers exert control over their labor power, workers can then benefit from employment in an empowering way. In effect, the parcel to parcel linkage projects, centered around the extension of the downtown economy to local communities, can, in fact, redistribute wealth if institutions based on worker control are included in the plans.

Workers cooperatives are also an employment alternative for those workers who are less likely to make the transition from manufacturing industries to service related industries. There are many successful examples of sewing cooperatives in the United States. The Rainbow Workers Cooperative is owned by 32 former garment worker employees of the Sierra Designs Company in Oakland, California. Threatened by the company's decision to shut down, the employees organized and were able to get

financial assistance from the state and city government to set up a workers cooperative. While the manufacturing industry in Boston is rapidly disappearing, the current Boston market is quite receptive to specialty items such as crafts and tailored made items. Although the feasibility of a sewing cooperative needs further exploration, it suffices to say that workers cooperatives are a viable alternative for Chinatown given, in part, the vitality of the Boston economy.

#### REDISTRIBUTING WEALTH FOR COMMUNITY CONTROL

This study was based on an analysis of the BRA parcel to parcel linkage project with a specific focus on its self-proclaimed objective to share downtown wealth with Chinatown and Roxbury. This analysis noted the primary method of "sharing the wealth" is the extension of office development into the local communities. Job linkage funds will prepare community workers for the new office tower based jobs. While parcel to parcel linkage project will direct substantial reinvestment in Chinatown and Roxbury, it remains questionable whether the communities will benefit at all from this project.

The doubt surrounding the revitalization efforts of the parcel to parcel linkage project is best framed by Mauricio Gaston and Marie Kennedy's distinction between neighborhood and community as discussed in their paper, "Capital Investment or Community Development? The Struggle for Control of Turf by Boston's Black and Latino Community." (1986) According to



Gaston and Kennedy (1986), a neighborhood is treated as a collection of commodities i.e., its land and buildings can be bought and sold in the market. A community is comprised of people (residents) and embodies cultural norms and social relations. While a community can not be commodified, its physical and spatial dimensions are treated as commodities and thus, can be destroyed, rebuilt, and upgraded. In this respect, investment and development within a capitalist society are about maximizing the potential value or the "highest and best use" of a community's land and buildings. The human element of a neighborhood is often neglected. Following this development tradition, the parcel to parcel linkage project "has the potential of destroying the community in order to save the neighborhood." (Gaston and Kennedy, 1985: 51) While the parcel to parcel linkage projects will transform and "upgrade" the physical attributes of the Chinatown and Roxbury neighborhood, this development effort is not intended to benefit primarily community people and in fact, will potentially displace many of them.

The critical distinction in redistributing wealth as prescribed by the parcel to parcel linkage project and redistributing wealth to rebuild neighborhood economies is who will ultimately control the land, labor and capital? The answer to this question indicates, in part, who ultimately benefits from development. As Bennett Harrison (1974) points out,

Public and private programs aimed at developing the economy of the urban ghetto differ significantly along several dimensions especially control and power. (emphasis added) (Harrison, 1974: 12)

The parcel to parcel linkage project combines public and private resources, however, the dimensions of control and power are not allocated to community residents but are concentrated in the hands of an elite which the parcel to parcel linkage project has expanded to include minority capitalists. Minority equity participation does not constitute redistributing wealth to Chinatown and Roxbury. The redistribution of wealth must take greater form than merely initiating private capital into the communities. Gaston and Kennedy (1986) point out the difference between investment and development,

Investment can be defined as simply the influx of capital into an area. Development is far more complex and important, for it involves people, their increased capacity for productivity, an increase in the level of control over their own lives, their level of organization as well as their access to wealth. (emphasis added) (Gaston and Kennedy, 1986: 6)

Essentially, the missing elements of the parcel to parcel linkage project, which ultimately undermine its objective to redistribute wealth, is the lack of community control over the development process and the lack of community-based institution building which will facilitate community people's access to wealth.

Community participation, in the tradition BRA planning fashion, is confined to negotiating over details such as allocation of community "benefits" and review of the minority development team proposals. To identify the minority

development team as the mechanism for community control is to co-opt a minority elite whose class interests are more compatible with the BRA's than the community's. The minority development team as the process for community control will reinforce the "top-down" approach of city planning. As Marjaleena Repo argues in her article, "The Fallacy of 'Community Control'" (1984),

The solutions advocated are merely exhortations about 'people taking power in their own communities', people 'participating in decisions affecting their lives,' etc., without the slightest analysis being provided as to what it takes for people to assume control over their own lives. (Repo, 1984: 59)

The strategies recommended, unions and workers cooperatives, can easily be incorporated into the parcel to parcel linkage plans. The presence of these institutions in the communities will begin to address the redistribution of wealth by transferring power and control to community workers. Unions and workers cooperatives contribute to the development of a neighborhood economy because they are based on worker control over two important elements of an economy; labor and capital. As David P. Ellerman, member of the Industrial Cooperative Association contends,

A worker cooperative is integrated into the local community; it is not a piece of property manipulated to maximize the return to absentee owners. Local control is established over the amount and structure of capital investment.

In effect, to build the neighborhood economies of Chinatown and Roxbury is to lay the foundation necessary for community control over land, labor and capital. The parcel to parcel linkage projects succeeds in channeling millions of dollars into the communities, however, as Gaston and Kennedy (1985) argue, this flood of private capital can potentially result in massive displacement. With unionization and workers cooperatives, the institutionalization of community control is partially accomplished as wealth and power is redistributed more equitably among all community residents.

## CONCLUSION

The parcel to parcel linkage project is an ambitious and complex multimillion dollar public-private partnership endeavor which potentially transforms the Chinatown and Roxbury communities. Upon completion of the project, a 40 or so story office tower will dominate across the street from Chinatown. The community will witness the South End phenomenon as boutiques, cafes, card shops and gourmet grocery stores eventually take over the Chinese markets, fruit stands and coffee shops.

The parcel to parcel linkage concept raises serious concerns regarding the ramifications of public-private partnerships which encourage private sector reinvestment in low-income communities of color. The revitalization of Chinatown and Roxbury is based on Boston's new economic role as an emerging global city. The pressure to expand and consolidate the growth of financial and administrative activities in the central business district is impacting the communities which immediately surround it. The parcel to parcel linkage project proposes to "share" downtown wealth by restructuring the economic and social functions of Chinatown and Roxbury to accommodate Boston's growing service economy.

The Kingston-Bedford and Essex Street developments will absorb the increasing pressure on the downtown economy. The impact of this project on Chinatown will extend beyond mere physical transformation of the urban environment. These

developments will generate low wage service jobs which the BRA are presenting to the community as jobs to increase incomes and restimulate the neighborhood economy. However, the true nature of service jobs undermine the BRA claim that service sector job opportunities will redistribute wealth to community people. The P & L workers experience raises additional concerns regarding the transition to service employment. Retraining as a strategy to prepare workers to access service sector jobs is inadequate for the majority of non-english speaking workers. The job placement projections for the P & L workers are pessimistic and furthermore, the entry wages for those workers that will be placed, certainly do not signify an increase in wealth or incomes.

The parcel to parcel linkage project is upheld as an innovative approach to community development as millions of dollars of public funds and private investment is channeled into the communities. The economic development approach of the parcel to parcel linkage program defines the revitalization of Chinatown and Roxbury in ways that will enable these communities to further service the growth of private capital. Essentially, parcel to parcel linkage will not stimulate community-based economic development as much as it will facilitate the dominance of downtown economy like activities in the communities. The answer to the question which has guided this inquiry, who benefits from the parcel to parcel linkage project, is, ultimately, private capital. The city and state

by contributing approximately 100 million dollars in this project, is, in effect, subsidizing the growth of private capital. The parcel to parcel linkage project enables a few minority elite to be beneficiaries as the minority developers will most certainly become millionaires and a hand full of minority business entrepreneurs become richer. Essentially, the redistribution of wealth is not so much a "redistribution" but a further concentration of wealth in the hands of private capital which, in the case of parcel to parcel linkage, extends to a few minority elite.

The recommended strategies toward redistributing wealth for community-based economic development outlined in Chapter V were presented based on the assumption that the parcel to parcel linkage project will proceed toward completion. However, an equally viable and possibly more powerful strategy to redistribute wealth is the strategy that has been undertaken by the Greater Roxbury Neighborhood Authority (GRNA). The GRNA publicly rejected the parcel to parcel linkage project and has developed alternative plans for the Parcel 18 site which includes light manufacturing to utilize existing job skills among community residents. The GRNA as a community-based organization can potentially disrupt the parcel to parcel linkage process as the organization successfully proceeds with its June 13, 1986 law suit against the city for negotiating in bad faith. This law suit resulted in a preliminary injunction issued on July 3, 1986 against any disposition of land in

Roxbury including Parcel 18.

The GRNA exerts organized political power which the BRA must contend with and thus, the GRNA is successfully implementing community control over the development process as defined by the city, state, and private sector. Furthermore, the GRNA rejects the BRA method of community participation. The GRNA refuses to negotiate over community benefits and the size and scale of the project development. In other words, the GRNA has refused to accept the BRA defined terms of community development and will not participate in an essentially "no win" situation. In sum, the GRNA strategy is a proactive approach for it challenges and redefines the BRA concept of community input.

The potential for Chinatown to organize and generate similar political leverage is unlikely for many reasons. However, the opportunity exists for the Chinatown community to build a political alliance with the GRNA to collectively organize a community-based response to the parcel to parcel linkage project. The city has "linked" the fate of Chinatown and Roxbury in a manner which is potentially divisive. The financial linkage of the parcel to parcel linkage project, the underlying force of the project, has created a dialectic which contends that Chinatown must tolerate the largest possible office tower in order that Roxbury receives the greatest amount of community benefits. The city has defined the relationship between these two communities to exploit the tensions regarding



the project in a manner which diffuses anger at the city. The city-defined relationship misdirects conflict as Chinatown and Roxbury battle each other in negotiations. Thus, it is critical that Chinatown engage in dialogue with the Roxbury community to build a coalition and begin to redefine the terms in which the two communities must interact. The potential political alliance and the power which it can leverage over the development process is the beginning of a strategy that truly redistributes wealth.

APPENDIX A  
ADVERTISEMENT FOR ROXBURY CONDOMINIUMS

...yard  
\$269,000 for both.

**DORCHESTER** Ashmont Hill. In same family for many years. Impressive, lovingly-maintained Philadelphia style Victorian with 3 apartments. Natural woodwork, french doors, butlers pantries, etc. Excellent condition. 1 car garage. Will be delivered with 2 possibly 3 vacancies \$225,000

**OCEAN ST. ASSOCIATES**  
206 Minot St.,  
Adams Village, Dorchester  
282-6769

**SOUTH END** Exceptional Victorian Townhouse in one of the best city neighborhoods. Owner's Triplex is elegant and sophisticated. Private rooftop, beautiful garden, 2 parking spaces, large country kitchen, working fireplace and a rental Duplex. By Appointment \$570,000 Exclusive

**OTIS & AHEARN**  
247-0077

estors!

**RATIONS.**  
major 2 bedrooms with  
rble fireplaces, restored  
h microwaves, Kohler &  
available

**SOUTH END** Gracious Penthouse Duplex with sweeping parlor level entry, large livingroom with working marble fireplace, gourmet kitchen, bright & airy separate dining, 2 large Bedrooms & den, European master bath, private rooftop, plus deeded parking 1600 s.f. \$265,000

**JACK CONWAY,**  
REALTOR  
536-8107  
Open 7 days

**SOUTH END** Intern's Special. Nice renovated parlor level, 1 Bedroom, Georgian Townhouse, overlooking Franklin Square & St. Elsewhere. Modern kitchen and bath, laundry, deeded parking \$105,900

**JACK CONWAY,**  
REALTOR  
536-8107  
Open 7 days

**SOUTH END** 4 Great Rehabs in high appreciating area. Priced to sell Garden, \$89,900; Lovely Parlor 1 Bedroom \$93,000; 2 Bedroom, 2nd floor \$104,000; Terrific 2 Bedroom Penthouse \$109,000 Parking negotiable. Owner financing

**JACK CONWAY,**  
REALTOR  
536-8107  
Open 7 days

## DISCOVER ROXBURY

Like many others you are probably wishing that you were one of those insightful owners who bought in the South End before everyone heard about what a fantastic place it is to live. Don't make that same mistake twice!

**FORT HILL** 2 condos in fully rehabbed building. 1 five room floor through, 1 6-room, 2 bath duplex. Some owner financing. \$90,000-\$110,000.

**ROXBURY** 2 family 6 over 4, fireplace, parking, vacant at closing with possible third unit. Great first home or money-making investment. Asking \$115,000.



**MASSBAY REALTY**  
100 Warren Street  
445-1066

APPENDIX B  
DESCRIPTION OF 9 KNAPP STREET DEVELOPMENT

## NINE KNAPP STREET Project Description

Richard Ho, Trustee of the Knapp Trust proposes the redevelopment of 9-23 Knapp Street, Boston to thirty five residential condominiums.

The subject building is a six-storey red brick building with basement built in the early 1900's. Each floor contains about 4700 square feet of space currently used for commercial and light manufacturing purposes. This building features large arch windows and arch entrances.

There will be six condominium apartments per floor, ranging in sizes from 500 to over 700 square feet. All units will have one or two bedrooms, living room, modern kitchen and bath, washer and dryer hook-up. Where heights allowed, loft will be provided above kitchen and bath. Wood beams and interior brick work are to be exposed where possible, in order to best effect unique design features of each apartment. Top floor units may have skylights to lighten the apartments.

The first floor will be designed to accomodate access for the handicapped persons. The lobby will be provided with a secure vestibule with an intercom and a security television camera observing all entrances. The TV security system will be tied to the residents' apartment to let owners observe who is at the door.

A new 5000 pound oil hydraulic elevator will be installed in a new two hour rated shaft. Two means of egress will be provided with concrete on-fill metal stairs.

The exterior masonry will be chemically cleaned. Street amenities will include brick paving for sidewalks, bollards along the curb line, street trees, and historic type street lamps.

Each unit will be provided with an air to air heat pump system and will be separately metered with meters centrally located. Sprinkler Alarm system will be installed throughout the building as well as emergency lightings.

Roof decks will be provided to tenants as outdoor space and planter area.

## Neighborhood Description

The subject building is located at the intersection of Kneeland street and Knapp street in the vicinity of Chinatown, New England Medical Center and Tuft Medical Center.

This location is at walking distance from all major districts of Boston such as the Government Center, Financial District, theatre district, South Station, Boston Common, waterfront area and Park square. Public parking garage is few steps away from this building. Accesses to all major expressways such as the Mass Pike, Southeast Expressway, and Expressway North are only couple blocks away.

A lot of major developments are being undertaken in this neighborhood such as the Transportation Building, the Lafayette Place, Four Season Place, South Station Redevelopment, International Trade center, Rowes Wharf, China Trade Center, Wang Center and One Financial Tower. The Chinatown neighborhood is famous for its abundance of special restaurants and shops.

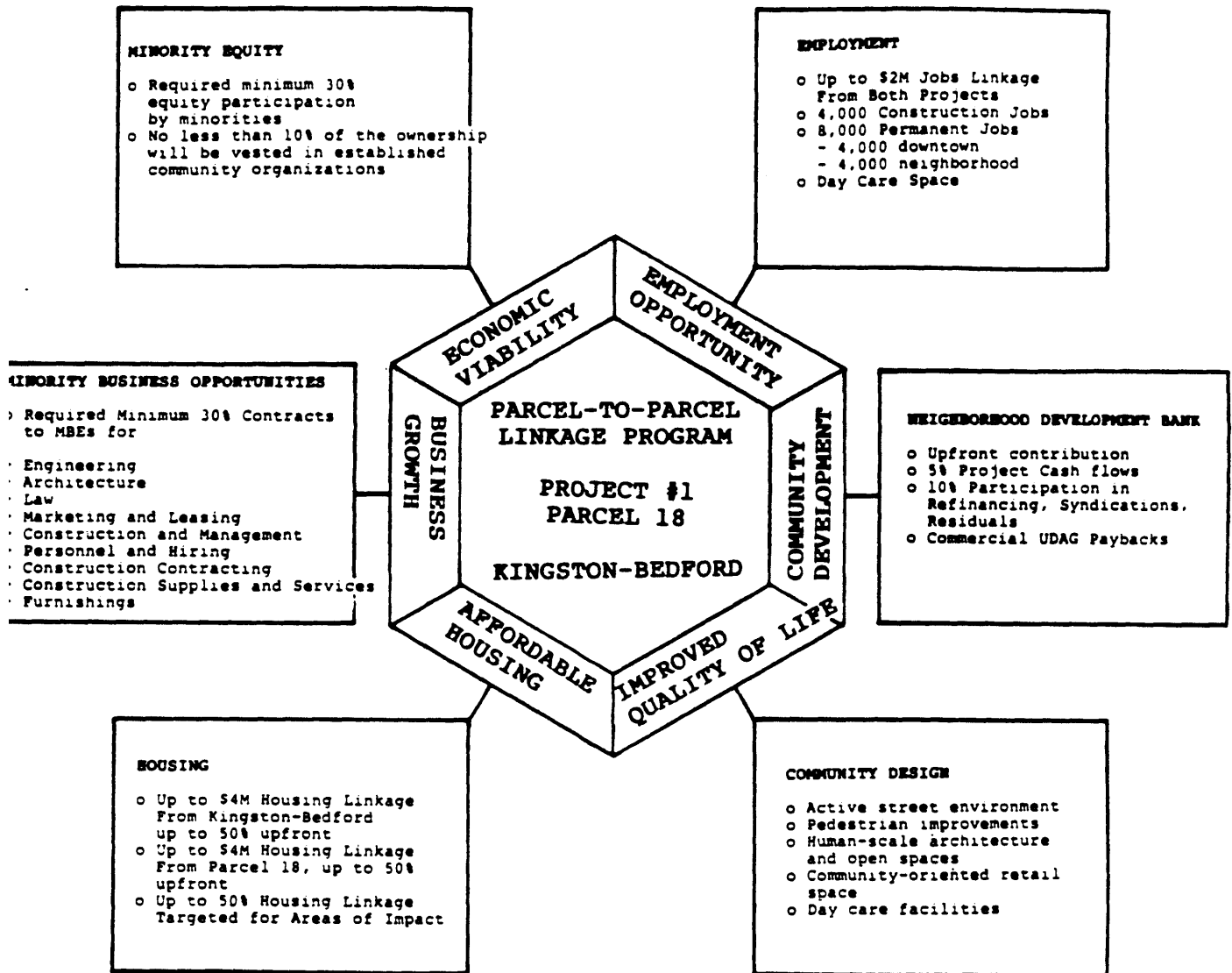
The rapid diminishing of the Boston Combat Zone from this neighborhood makes this area even more desirable for both commercial and residential purposes.

## APPENDIX C

### BRA PIN-WHEEL DIAGRAM OF NEIGHBORHOOD ECONOMY

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## BUILDING A NEIGHBORHOOD ECONOMY





APPENDIX D

MINORITY DEVELOPMENT TEAM MEMBERS

## BOSTON DEVELOPMENT COLLABORATIVE

- I. TEAM COMPOSITION. A joint venture of the Asian American Development Corp. and J. B. Hall Development Assoc.

### Officers:

1. Arthur Wong, Chairman of Board. First president of Wong Family Benevolent Assoc., Former Executive Director, Chinese Merchants Assoc. Former Executive Director, National Chinese Welfare Council; Chair Vocational English Program; Founder CEDC; Executive Director CCBA.
2. Arthur Gutierrez, Vice Chair. Former Executive Vice President Spaulding & Slye Construction Co. Founder, President, Gutierrez Co. Former Project Manager, Vice President, Aberthau President, Construction Co. B.S., M.S. from M.I.T.
3. Juan Cofield, President and CEO. President, CEO, Boston Realty Assoc.; Founder, director, president, CEO, Boston Bank of Commerce; Vice President, Mass. Board of Higher Education. Involvement in N.E. Home for Little Wanderers, Coolidge Corner Community Corp., Rest Haven Nursing Home, Robert Forbes House.

MBA, Corporate Finance - Wharton BA in Business Administration, U of North Carolina.

4. Edward T. T. Chiang, Executive Vice President. Original Board Member CEDC; Former President Greater Boston Chinese Cultural Assoc.; Former president of N.E. Assoc. of Chinese professionals.

Currently President, technical manager of H2O Engineering Consulting Assoc., Inc. Experience in managing projects involving hydraulics, groundwater, water resources management, waste water.

5. Bill Wong, Treasurer. Former director Liberty Bank. Owner Kowloon Restaurant in Saugus.

Founder, past president CEDC. Past president Wong Family Benevolent Assoc., Treasurer National Chinese Merchants Assoc., Known for charitable work.

6. Russell E. Hill, Vice President. CEO of R.E. Hill to Co., Inc. Former faculty member, Institute for Real Estate Management (N.Y.U.). Former director of Real Estate, Harvard U. Directed development of Soldier Fields Road. Member Long Range Planning Committee for Harvard and Radcliffe. Director, Corporate Services at Nixdorf Computer Corporation. Certified real estate broker, Certified Property Manager. Member, Greater Boston Real Estate Board; Institute for Real Estate Management. Board of Directors, Metro North Private Industry Council.
7. Robert Wong, Clerk. Longtime member South Cove/Chinatown YMCA. Graduate U. of New Hampshire - Hotel Administration. President of Wms. and Sons, Management for 4 restaurants and an import/export company.
8. Joseph S. K. Chou. Member CCBA Director Tai Tung Village Tenants Assoc. Currently assistant director for Drafting, New England Institute of Technology.
9. Vernon Patterson. Resident Architect of Westin Hotel, Copley, Shawmut Bank of Boston Headquarters, Lahey Clinic.

Owns Vernon Patterson Enterprises which is designing Black Cultural Arts Center in Hartford. Degrees in Landscape Development and Architecture.

Received Distinguished Linkage Award from Black Achievers Program.

10. Robert Rovster. President, Energetech Systems Inc. an engineering company that designs and implements energy conservation and control technologies. Former Executive V.P./Controller, Data Signal Corp. Founder, President Lewis Latimer Foundation of Cambridge. Former Director ABCD. Founder, Black Corporate Presidents of New England. Former Director, Treasurer, National Assoc. of Black Manufacturers. Two terms as Mass. Commissioner of Real Estate Brokers and Salesmen (under Governors Sargent and Volpe).
11. Hwachii Lien. Investment banker with Liberty Bank. Doctorate in Applied Mechanics. Honored in "American Men and Women in Science". Active in international trading. President Financial Services Inc. Board, CEDC.
12. Hon (Frank) Kam. Engineer, Stone & Webster Engineering Corp. Formerly with Chas. T. Main Engineering Corp. Consultant Centre Daily News (N.Y. based)

13. Jane Center Edmonds. President, Jane C. Edmonds & Assoc. (Human Resource Management). Former Chair MCAD. Former Director, Boston Office of Intergovernmental Relations. Member Board: Boston Chamber of Commerce; Urban League of Eastern Mass; United Way. Recipient of B.C. Law School Community Service Prize, awards from Radcliffe Alumnae Assoc., 9 to 5, American Arbitration Assoc., Assoc. for Affirmative Action Professionals.
14. Jerry Chin. Co-owners, treasurer, Moon Villa Restaurant, Boston. Board of CCBA. Former Chair, director, Tue Shing Chinese Opera, Kwong Kow Chinese School Committee.
15. Henry H. Szeto. Co-owner, manager Moon Villa Restaurant. Council Member CCBA. President Chinese Freemason.
16. James Cofield Jr. Former BRA Board Member, President CEO Malmart Mortgage Co., Inc. Former consultant Arthur D. Little. Former faculty member Stanford Electrical Engineering. Director Mass. Assoc. Realtors. Director, Executive Comm. Member Chamber of Commerce, Chairman Audit Committee, Trustee WGBH Educational Foundation; Chairman Roxse Homes, Inc., One of Ten Outstanding Young Leaders 1980 (Jaycee Award).
17. Robert Wang. Active member of CEDC and Greater Boston Chinese Cultural Assoc.
18. Brian Holloway. Offensive Tackle, New England Patriots, BA in Economics, Stanford. Player Rep., NFL, V.P. NFL Players Assoc. Key Speaker for Boston School Volunteers.
19. Paul S. James. President, CEO, Solar Electrical Construction Corp. Member: Sportsmen's Tennis Club; NAACP. Governor, Greater Boston Chapter of National Electrical Contractors Assoc.
20. Dick Gregory. Comedian. Board of M.L.K. Center for Nonviolence and Social Change; Southern Christian Leadership Conference. Chairman, CEO, Dick Gregory Health Enterprises Inc.
21. Donald Chen. Board CEDC. Teacher, Quincy School.
22. Jeffrey S. Humber, Jr. V.P., Municipal Finance Dept., Merrill Lynch. Former Deputy City Administrator, Washington, D.C.; Former Director Finance and Revenue.

23. Edward N. Lui. Board, CEDC. Business Consultant for various companies, including Sally Ling's Restaurant; Lotus Travel Services; KWL International, Inc., Sallin Finance Corp.
24. Yen Kai Mok. Owner, China Palace Restaurant, New Bedford. Chairman, Mak's Enterprises.
25. Minh Tu. Owner Quangloi Jewelry Co. Manager Lu's Realty Trust Co. President, Mass. Assoc. of Chinese from Indochina.
26. Chuck D. Fong. Owner, president, treasurer, three restaurants - Golden Eagle Inn. Dragon Light Restaurant, China Inn. Founder Soo Yuen Assoc. (30,000 members).
27. Raymond Shih. President, Greater Boston Chinese Cultural Assoc. MBA from Baruch College (N.Y.U.). Project manager, statistician, operations research analyst for U.S. Dept. of Transportation. Very involved in local Chinese language schools. Former principal of Central Mass. Chinese Language School.

No summaries available for the following principals:

Tang Tsung Chung  
Crispus Attucks Fund  
Nie Jiann Wen  
David Wong

James K. Wong  
Johnny Yee  
Sandra Yee  
Donald Chin

- \* Minority Business Development Foundation
- \* Minority Employment and Job Training Foundation

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\* (to be created)

## COLUMBIA PLAZA ASSOCIATES

### I. Team Composition

A joint venture of the Chinese Investment Limited Partnership (CILP) and Ruggles-Bedford Associates, Inc. (RBA). CILP is a partnership of the Chinese Investment Group (CIG) and the Chinese Consolidated Benevolent Association (CCBA). CIG is the general partner and a Class A limited partner. CCBA is a Class C limited partner (10 percent). RBA is a Massachusetts corporation with Class A, B and C shareholders. A more detailed explanation of the financial structure is attached.

CPA is managed by a Management Committee consisting of 3 members of RBA and three from CILP. The Management Committee will interface with the Boston Redevelopment Authority (BRA).

The principals of Columbia Plaza Associates are:

1. Boston Bank of Commerce, founded 1982, New England's only FDIC, black-owned, commercial bank with \$35M asset base and a 30% return on investment. Ronald Homer, bank president and CPA representative has extensive experience in real estate lending to office buildings, shopping centers and residential properties.
2. Edward W. Brice, Jr. General partner and/or principal in real estate investment partnerships and corporations. Educated at Harvard University and the Sloan School of Management at M.I.T. He has offices in and resides in Boston.
3. BWR Realty Associates, Inc. Real estate development subsidiary of Budd, Wiley and Richlin, law offices, a full service, minority controlled law firm. Attorney Fletcher Wiley represents BWR in Columbia Plaza Associates.
4. Campana Development Associates was organized in 1986 by seven members of Boston's Hispanic community to insure that interests of that community are incorporated into Linkage Project I. Consuelo Thornell is Campana's managing general partner and representative to CPA. She is Vice-President of Bell Associates, a social research/management think tank.
5. Laura Chan, Commonwealth of Massachusetts accountant since 1983. Educated at Northeastern University, Director of the Chinatown Center for the Arts and the Greater Boston Big Sisters Association. Fluent in four languages.

6. Paul Chan Vice-President and Property Manager for L.E. Smith Management Co. of Boston. Served DCA Development Corp. as property manager. Served in the Republic of China's Foreign Ministry in Taipei, Taiwan. Bachelor of Law and Masters of Urban Affairs from the National Chengchi University of Taipei, Boston University respectively. A licensed real estate broker and a certified property manager. Has served as development consultant on many projects in the Chinese community.
7. Josephine Chen. Property Manager with Boston Financial Management Company. Studied at Syracuse University. Worked for the Chinese Delegation to the United Nations, formerly a broker for Suto Brothers (security exchange).
8. Stanley Chen Civil Engineer, licensed general contractor and real estate developer. Has developed residential and commercial properties. Former Executive Director of CAB, former Bonding Director of General and Sub-contractor Associates of San Francisco. Former project manager for nation's first urban renewal project; has been involved with seven others since, totalling over one billion dollars.
9. Jill Cheng. President of Cheng Tsui Company, book publishers and distributors and Harrington Corner Properties, a development and management firm. Educated at Radcliffe College and Harvard Divinity School. Board member of ABCD and the United Way of Massachusetts.
10. Frank Chin. President of CILP. Owner of a number of restaurants and properties in downtown Boston. Public sector experience in purchasing, pollution commission and real estate. Actively involved in local and national politics.
11. William Douglas Chin. Practices law in downtown Boston. Manages real estate and small business practice, on Board of Kwong Kow Chinese School, and USES. Governing Board Member of Gee How Oak Tin Association.
12. Chinese Consolidated Benevolent Association (CCBA). A non-profit organization in Chinatown comprised in turn of other community and civic organizations representative of the Chinatown neighborhood in Boston. The group consists of community organization members, family association members, business entities and individuals. Some of their projects include land use planning and housing development, job training and employment counseling, and advocacy for community program and services. The CCBA has established a Chinese Community Service Center, and sponsored the development of Tai Tung Village.

13. Cruz Development Co.. Principals John B. Cruz Jr., John B Cruz, III. Currently owns approximately 700 units. Has financing commitments on 200 additional units.
14. Dora Lee Hsiung. President, owner of Housing Design (Fiber Artistry and Design Firm). Member Boston Visual Artist Union, Weavers Guild of Boston, Handweavers Guild of America.
15. Robert Y.C. Hsiung. Licensed architect. Principal, Vice-President and Director of Architectural Design for Jung/Brannen Associates. Member AIA Society for College and University Planning; National Trust for Historic Preservation. Former Chair Chinese Arts Festival; President Greater Boston Chinese Cultural Association.
16. Ann M. Huang. Librarian for John Hancock Mutual Life Insurance Company Library. Founder, Advanced Electronics, Inc. Volunteer fundraiser, South Cove Manor Nursing Home.
17. Lena Lui Jung. Chemical engineer. Research and testing for International Paper Co., Lexington Instruments and GTE Labs. Former principal of Chinese Language School.
18. Yu Sing Jung. Co-founder/President/Principal-in-Charge of Jung/Brennan Associates, Inc., architects and planners. Served as Chairman of the CEDC Development Council Realty Corp. Director of the Boston Bank of Commerce. Projects include One Financial Center at Dewey Square, the World Trade Center at Commonwealth Pier and 125 High Street.
19. Bertram M. Lee. Former President and Director of the New England Television Corporation. Currently President and Director of BML Associates, Inc. a diversified holding company. General Partner of Albimar Communications, Inc. and Mountaintop, Inc. Vice-Chairman of the Board of Boston Bank of Commerce. Director of Shawmut Corporation.
20. Chung M. Lee, AIA. President of the Boston Office of Cannon Architects. Licensed architect in six states. Formerly associate professor at Syracuse University. Projects include Exchange Place, Marketplace Center and the Four Seasons Hotel/Condominiums in Boston.
21. Thomas S.K. Liu, Ph.D. President Haley and Aldrich, a 180 person consulting and engineering firm. Current projects include 500 Boylston Street, 150 Federal Street and One Financial Center in the South Station area. Founding member of CEDC.



22. Long Bay Management and Development Company. Real estate development firm. Long Bay general partners, Kenneth I. Guscott, Cecil H. Guscott, and George R. Guscott. The entire family is active in many community based organizations. Long Bay (1) owns and manages 650 multi-family housing units; (2) has developed over 50,000 sq.ft. of commercial, retail and office space; and (3) acquires vacant land as an investment and basis for future developments.
23. Kwok Chu Ng. President and owner of the Dragon Chef restaurants located throughout the Greater Boston Area. Has served as President of the Eng Suez Sun Association of Boston. Director of CCBA.
24. Telemat Ltd. Real estate development and management consulting firm with corporate offices in Chicago, Oakland and Boston. Owned by Peter C.B. Bynoe. Telemat and Bynoe are principals in over \$500 million of urban mixed use real estate development.
25. Siew Wong Tso, AIA. President and founder of TSO Associates, Inc., architects. TSO Associates has been involved in over 50 public and private sector real estate development projects with a combined value of over \$25 million. TSO Associates has a history of involvement with Boston's Chinese Community.
26. UNC Ventures. Firms have provided risk capital and related services to select companies with high revenue and earnings growth potential. The original entity, UNC Ventures, Inc. (formerly Urban National Corporation) was founded in 1971. The second fund was established in 1983 as UNC Ventures II, L.P. Both of these venture capital funds are presently managed by UNC Associates, Inc. UNC Ventures Funds are specialized, limiting investments to companies substantially owned by minority business people. UNC Ventures presently manages over \$27 million of assets. Recently, UNC diversified to invest in two major real estate developments encompassing 530,000 sq.ft. of office space valued at \$25.7 million.
27. David Shu Ying Wong. Moderator of Chinatown Neighborhood Council, President and owner of Sun Sun Company, a Boston grocery importer and wholesaler. Treasurer of the Imperial Teahouse Restaurant in Boston. Director of the Chinatown Boys and Girls Club, and CEDC. Member of the South Cove Nursing Facility Foundation, Inc. and the Kwong Kow Cultural and Art Association, the Wong Family Association; CCBA. Trustee of the Oxford Realty Trust and Gow Sue Wong Trust.

28. Wilson Wai-Man Wong. Works in the family grocery store. Served as general contractor for 58 Beach Street (Ying Ying Restaurant). Currently owns and manages the restaurant. Has invested in numerous restaurants, office buildings, and residential developments in Chinatown.
29. Davis Woo, P.E. President CCBA, formerly with Dupont as technical service engineer. Twenty-nine years with Monsanto Company (chemical manufacturing plant, management experience). Reputation as a corporate expert in plant engineering.
30. Cheng Yao. Assistant Vice-President of Factory Mutual Research Corporation, a non-profit organization supported in part by a group of the world's largest mutual insurance companies. Manages the Applied Research Department with a budget of approximately \$5 million. Member of the Greater Boston Chinese Cultural Association and New England Chapter of the Organization of Chinese Americans.
31. Philip Yoh, Ph.D. Research staff member at MIT in the area of communications and space research. Active in the Greater Boston Chinese Cultural Association and the Organization of Chinese Americans.

## INTERLINK DEVELOPMENT GROUP

### I. Team Composition:

1. **Frank J. Bispham:** Assistant Regional Administrator for Minority Small Business and Capital Ownership Division. Co-founder and partner in Mattapan Enterprises, a property rental, sales management and development firm. Fifteen year Boston resident; member Boston Branch NAACP, Greater Boston Chamber of Commerce, Black Developers Association of Boston; Regional Vice-President National Business League.
2. **David Blackman:** Interlink Chairman. President, Blackman and Associates. Expertise in engineering management and industrial engineering. Assistant Dean and Director of Minority Affairs at Northeastern. BS in Engineering Management from Boston University and an MS in Engineering Management from Northeastern.
3. **Royal Bolling Jr.:** Representative of Ward 14 in Dorchester, Ward 18 Precinct 3 in Mattapan (6 terms). Vice-Chair of House Committee on Post Audit and Oversight; served on House Committee on Rules. One of founders of Mass. Legislative Black Caucus. Former Chair of Mass. Arson Commission. Life-long Boston resident.
4. **May Chan:** Active in development projects in Weston, Natick and Shrewsbury. Work with Leong Development Co., principal in large mixed use development on lower Washington Street in Boston. Member of Board of CCBA. Participant in CCBA/A.W. Perry joint venture. Member of South Cove YMCA. Active member of Chinese Cultural Institute and Greater Boston Chinese Cultural Association.
5. **Calvin M. Grimes:** President Grimes Oil Co. Affiliations with NAACP; Chamber of Commerce; Urban League of Boston; Governor's Committee for Minority Business Development; One Thousand Committee; American Association of Blacks in Energy; Dimock Community Health Center; Thrift Fund for Economic Development. More than 30 years experience in energy service and training.
6. **Ellen Jackson:** Dean and Director of Affirmative Action at Northeastern. Former director Freedom House Institute on Schools of Education. Former National Executive Director of the Black Women's Community Development Foundation Inc. Former contract/project director, State Dept. of Education. Executive Director of Operation Exodus, the first black community-based group. Incorporator, Boston Five Cents Savings Bank. Currently Chairperson Governor's Community Development Coordinating Council; Trustee, Boston Plan for Excellence; Board of Freedom House Inc.

Ellen S. Jackson Fellowship in her honor established at Harvard Graduate School of Education. Ellen S. Jackson Children's Center at Mission Hill Extension.

7. **Diana Lam:** Superintendent of District A Schools (Allston, Brighton, Jamaica Plain, Roxbury, Roslindale). Active Board member of La Aliana Hispana. During presidency established Nuestra Comunidad and Bohio Development Corporation. Steering Committee of Strategic Planning, Conference for Dudley Street Neighborhoods. Honored by Citywide Bilingual Parents Advisory Council.
8. **Allen Miller:** Cofounder, partner, Mattapan Enterprises. Former Assistant to Commissioner in City of Boston Assessors' Office. Member National Association of Review Appraisers and Rental Housing Association of Greater Boston Real Estate Board. Twenty-five year Roxbury and Mattapan resident. Active in NAACP, Black Developers' Association, Mattapan Youth Athletic Club.
9. **William Overton:** Owner, Century Development Company. Background as entrepreneur, model, actor and advocate for minority rights. (Husband of Jane Kennedy).
10. **Herman Russell:** Will be Interlink project manager. Founder of H.J. Russell & Co., a diversified organization (construction, real estate, food, beverage and communications).

General:

- Ms. Jackson, Messrs. Bisphan, Grimes, Miller, Overton, Bolling and Russell are black; Ms. Chan is Chinese; Ms. Lam is Hispanic.
- 74% Boston residency, 100% of team works in Boston.
- All members are equal partners; all have made equal contributions of equity and will share decision making responsibilities.

APPENDIX E  
SUMMARY OF MINORITY DEVELOPMENT TEAM PROPOSALS

## APPENDIX E

### MINORITY DEVELOPMENT TEAM PROPOSALS

The minority development team proposals were evaluated on their ability to fulfill the objectives of the parcel to parcel linkage project which are:

- \* Ownership and control of the project equity by non white developers, including community based organizations;
- \* Capacity and financial resources to maintain at least a 30% ownership position in the project;
- \* Establishment of a mechanism for funding community development;
- \* Opportunities for at least 30% participation in the stream of benefits from the project (goods, services and construction contracts) by Minority Business enterprises;
- \* Production of affordable housing;
- \* Creation of jobs, job training programs and child care facilities;
- \* Formulation of a development that is compatible with the scale and density of the surrounding community.

(BRA, Evaluation Summaries for Parcel 18/Kingston-Bedford RFQ Respondents, March 1987)

The following is a brief summary of the minority development team proposals with specific focus on job creation, affordable housing, participation of community based organizations and the funding of community economic development.

#### Interlink Development Group

The Interlink Development Group proposes to develop a 20-30 story office tower with 700,000 GSF of office space on the

Kingston-Bedford site above two levels of ground floor commercial space and a six story 350 room hotel on the Essex Street site with 5,000 GSF of day care on the roof level. A 600 car underground garage is included in the Kingston-Bedford plans.

As part of the community benefits package, the Interlink Development Group proposes to establish a Foundation to receive 10% of the net profit of the operation of the Kingston-Bedford-Parcel 18 developments to be shared equally between Chinatown and Roxbury. A community board will be established and comprise two members of the Interlink Development Group, one representative from the BRA, two representatives from the CNC and Parcel 18 Task Force, one representative of the financial community and academic community respectively. This community board will provide technical review of the projects and allocate funds for worthy community development endeavors. 450 units of mixed income family housing will be built with the linkage fees generated by the Kingston-Bedford development, state housing assistance such as SHARP and federal funds. 250 of these units are to be targeted for the Chinatown area. There are no commitments as to how many of the Chinatown units will be affordable and the affordability guidelines, only a promise that "The Foundation would require long term affordability provision." In addition, the Interlink Development Group proposes to establish and administer a Community Housing Fund which will provide grants to develop small affordable housing projects by CDC's, small for-profit organizations and individuals. The job creation and

employment training commitment is undeveloped only specifying the agencies to be used to do job training; Urban Academy and Northeastern University.

#### **Boston Development Collaborative**

The Boston Development Collaborative (BDC) proposes to develop 750,000 - 900,000 GSF 490 foot office tower with a 500-600 car underground garage. To fund community development, the BDC proposes to contribute 10% of the project profits to create an endowment for a Boston Community Trust Fund to allocate funds to community organizations. This trust fund will be administered by a 8 member board of trustees that will include one member each from the Chinatown Neighborhood Council and the Parcel 18 Task force. The other members will be selected by the Collaborative - three will be from Roxbury and three will be from Chinatown. The BDC proposes to set up an Employment and Job Training Foundation. It has also set 50% minority and resident participation in employment opportunities as a target for the two projects. A low-income housing trust fund will also be created to provide rent subsidies for both communities and will be administered by the Board of the Community Trust Fund. The Boston Development Collaborative has not determined the number of affordable units to be targeted for Chinatown.

#### **Columbia Plaza Associates**

The Columbia Plaza Associates (CPA) proposes a two phase



mixed use development for the Kingston-Bedford site with a total of 35,000 square foot (SF) retail, 450,000 SF commercial, 200,000 SF hotel and 700 car garage and 150 units of housing to be developed on scattered sites. In addition to the linkage funds generated by the projects estimated at \$6 million housing linkage and \$1 million job training linkage, CPA will contribute 10% of the developers fee - approximately 2.5 million, 5% of the annual net operating income of the Kingston-Bedford development, 10% of the net proceeds upon refinancing or sale, to a community development fund. This trust fund will be administered by a board with representatives from the Chinatown and Roxbury communities, the BRA, and Columbia Plaza Associates. The community development fund will fund landbanking, mortgage loans, bonding assistance for MBE contractors, and venture capital for retail and commercial projects.

Included in the Columbia Plaza Associates' community benefits plan is building a prefabricated housing manufacturing plant that will combine employment creation with building housing that will provide "an opportunity for families to purchase a home for under \$100,000". A total of 1,945 new construction jobs and 7,760 new permanent jobs are estimated. In addition, the CPA proposes to build and/or finance 500 units of housing with 400 units being affordable. The CPA also plans to distribute a significant portion of the housing linkage funds as interest free downpayment loans to enable residents to purchase homes.

APPENDIX F  
TABLES FOR SOCIOECONOMIC PROFILE OF CHINATOWN

Table 1

RACIAL BREAKDOWN

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	702	704	705	TOTAL CHINATOWN AREA
TOTAL PERSONS	3552	1821	5361	10734
WHITE	629	192	2754	3575
BLACK	167	403	705	1275
NAT. AM., ESK., ALEUT	5	4	12	21
ASIAN & PACIFIC	2712	1094	1366	5172
JAPANESE	4	2	2	8
CHINESE	2672	1056	1333	5061
FILIPINO	1	4	4	9
KOREAN	3	1	1	5
ASIAN INDIAN	2		1	3
VIETNAMESE	29	27	23	79
HAWAIIAN			2	2
GUAMANIAN				0
SAMOAN		4		4
OTHER	39	128	524	691
PER. OF SPAN. ORI.	38	116	1194	1348
MEXICAN	6		14	20
PUERTO RICAN	5	93	1068	1166
CUBAN	6		19	25
OTHER SPANISH	21	23	93	137
PERCENTAGE ASIAN	76.4%	60.1%	25.5%	48.2%
PERCENTAGE CHINESE	98.5%	96.5%	97.6%	97.9%
TOT. BOS. ASIAN POP.	15150			
% BOSTON ASIAN POP.	17.9%	7.2%	9.0%	34.1%

SOURCE: U.S. CENSUS BUREAU, 1980 BOSTON SMSA DATA

Table 2

NATIVITY OF RESIDENTS

	702	704	705	TOTAL CHINATOWN AREA
TOTAL PERSONS	2724	1099	1366	5189
NATIVE	641	281	248	1170
FOREIGN BORN	2083	818	1118	4019
% NATIVE	23.5%	25.6%	18.2%	22.5%
% FOREIGN BORN	76.5%	74.4%	81.8%	77.5%

SOURCE: U.S. CENSUS BUREAU, 1980 BOSTON SMSA DATA

Table 3

ABILITY TO SPEAK ENGLISH

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	702	704	705
PERSONS 5-17 YRS.	553	256	292
SPK.OTH.ENG.HOME	553	249	292
% BILINGUAL	100.0%	97.3%	100.0%
% SPK.NO/LIT.ENG	21.2	22.5	9.9
PERSONS 18+ YRS.	1983	777	998
SPK.OTH.ENG.HOME	1963	757	998
% BILINGUAL	99.0%	97.4%	100.0%
% SPK.NO/LIT.ENG	60.2	56.9	55.9

SOURCE: U.S. CENSUS BUREAU, 1990 BOSTON SMSA DATA

Table 4

## YEARS OF SCHOOL COMPLETED

	702	704	705	TOTAL CHINATOWN AREA
PER. 25+ YRS.	1654	653	793	3100
ELEMENTARY: 0 - 4 YRS.	480	169	177	826
5 - 7 YRS.	406	136	191	733
8 YRS.	107	62	53	222
HIGH SCHOOL: 1 - 3 YRS	134	38	106	278
4 YRS	290	168	146	604
COLLEGE: 1 - 3 YRS.	71	46	79	196
4+ YRS.	166	34	41	241
% TOT. < 8 YRS. ELEM.	60.0%	55.2%	53.1%	57.5%
% COMP. 4 YRS. HIGH SCH.	17.5%	25.7%	19.4%	19.5%
% COMP. 4+ YRS. COLLEGE	10.0%	5.2%	5.2%	7.8%

SOURCE: U.S. CENSUS BUREAU, 1980 BOSTON SMSA DATA

Table 5

## LABOR FORCE STATUS

	702	704	705	TOTAL CHINATOWN AREA
PERSONS 16+ YRS	2068	821	1054	3943
LABOR FORCE	1364	535	742	2641
% 16+ LAB.FORCE	66.0%	65.2%	70.4%	67.0%
EMPLOYED	1271	501	706	2478
% EMPLOYED	93.2%	93.6%	95.1%	93.8%
UNEMPLOYED	93	34	30	157
% UNEMP.	6.8%	6.4%	4.0%	5.9%
MALE 16+ YRS	1049	403	583	2035
LABOR FORCE	815	282	453	1550
% 16+ LAB.FORCE	77.7%	70.0%	77.7%	76.2%
EMPLOYED	780	265	438	1483
% EMPLOYED	95.7%	94.0%	96.7%	95.7%
UNEMPLOYED	35	17	9	61
% UNEMP.	4.3%	6.0%	2.0%	3.9%
FEMALE 16+ YRS	1019	418	471	1908
LABOR FORCE	549	253	289	1091
% 16+	53.9%	60.5%	61.4%	57.2%
EMPLOYED	491	236	268	995
% EMPLOYED	89.4%	93.3%	92.7%	91.2%
UNEMPLOYED	58	17	21	96
% UNEMP.	10.6%	6.7%	7.3%	8.8%
W/CHILDREN < 6 YRS	125	54	55	234
IN LABOR FORCE	65	12	17	94
% W/CHILD & WORK	52.0%	22.2%	30.9%	40.2%
MARRIED/HUSB.PRES.	585	267	275	1127
IN LABOR FORCE	349	172	198	719
% MARRIED & WORK	59.7%	64.4%	72.0%	63.8%
CIVIL.PER. 16-19 YRS.	172	78	110	360
NOT IN SCHOOL	40	15	6	61
NOT H.S. GRAD.	10	5	6	21
EMPLOYED	10	5		15

SOURCE: U.S. CENSUS BUREAU, 1980 BOSTON SMSA DATA

LABOR FORCE STATUS IN 1979

	702	704	705	TOTAL CHINATOWN AREA
PER. 16+ LAB.FOR. '79	1415	590	845	2850
% 16+	68.4%	71.5%	80.2%	72.3%
WORKED IN 1979	1373	576	829	2778
% 16+ WORKED	97.0%	97.6%	98.1%	97.5%
40+ WEEKS	942	371	539	1852
% 40+	66.6%	64.4%	65.0%	66.7%
35+ HRS./WEEK	799	317	428	1544
% 35+ HRS.	84.8%	85.4%	79.4%	83.4%
50-52 WEEKS	616	253	385	1224
% 50-52 WEEKS	44.9%	43.5%	42.6%	44.1%
35+ HRS./WEEK	532	215	303	1050
% 35+ HRS.	86.4%	85.0%	85.4%	95.8%
WITH UNEMP. IN 1979	259	145	195	599
% LAB.FOR.	18.3%	24.6%	23.1%	21.0%
UNEMP. 15+ WEEKS	85	30	81	196
% UNEMP. 15+ WEEKS	32.8%	20.7%	41.5%	32.7%
MEAN WEEKS OF UNEMP.	14.7	11.3	15.9	14.0%

SOURCE: U.S. CENSUS BUREAU, 1980 BOSTON SMSA DATA



# OCCUPATIONAL STATUS

	702	704	705	BOSTON CITYWIDE
EMPLOYED 16+	1271	501	706	7618
PROFESSIONAL/MANAGERIAL	183	44	67	1688
% PROF./MANAGERIAL	14.4%	8.8%	9.5%	22.2%
EXEC. ADM. MANAG.	143	27	55	668
% EXEC. ADM. MANAG.	78.1%	61.4%	82.1%	40.8%
PROFESS. SPECIALTY	40	17	12	1000
% PROFESS. SPECIALTY	21.9%	38.6%	17.3%	59.2%
TECH. SALES AND ADM.	233	96	146	1875
% TECH. SALES AND ADM.	18.3%	19.2%	20.7%	24.6%
TECHNICIANS	23	9	41	469
SALES	84	16	17	414
ADM. (INC. CLERICAL)	126	71	68	972
% ADM. (INC. CLERICAL)	54.1%	74.0%	60.3%	51.8%
SERVICE OCCUPATIONS	491	207	254	2326
% SERVICE OCCUPATIONS	38.6%	41.3%	41.6%	30.5%
PRIVATE HOUSEHOLD	6		10	27
PROTECTIVE SERVICE			10	39
OTHER SERVICE	485	207	274	2260
FARM, FOREST, FISHING	8			22
PREC.PROD.CRAFT & REPAIR	66	26	23	221
OPERAT. FABRICATORS & LABOR	290	128	176	1486
% OPERAT. FABRICATORS & LABOR	22.8%	25.5%	24.9%	19.5%
MACHINE OPER. ASSEM. INSP.	231	118	166	1327
% MACHINE OPER. ASSEM. INSP.	79.7%	92.2%	94.3%	89.3%
TRANSP. & MATERIAL MOVING	14			43
HANDLERS EQ. CLEAN. & LABOR	45	10	10	116

SOURCE: U.S. CENSUS BUREAU, 1980 BOSTON SMSA DATA

Table 8

## INCOME STATUS

	702	704	705
HOUSEHOLDS	893	276	397
LESS THAN \$5000	205	35	90
\$5000 TO \$7499	128	58	4
\$7500 TO \$9999	182	14	42
\$10000 TO \$14999	124	63	93
\$15000 TO \$19999	115	68	71
\$20000 TO \$24999	54	4	40
\$25000 TO \$34999	42	28	26
\$35000 TO \$49999	18	6	25
\$50000 OR MORE	25		6
MEDIAN	\$9,059	\$11,845	\$13,279
MEAN	\$12,312	\$13,065	\$15,288
% HOUSEHOLDS < \$14999	71.6%	61.6%	57.7%
HOUSEHOLDS W/ EARNINGS	720	236	343
MEAN EARNINGS	\$12,946	\$13,333	\$15,192
WITH SOCIAL SECURITY	200	78	64
MEAN S.S. INC.	\$2,986	\$3,059	\$3,036
W/ PUBLIC ASSIST.	130	36	55
MEAN P.A. INC.	\$3,505	\$1,169	\$1,633
UNRELATED IND. 15+ YRS.	292	37	125
MEDIAN	\$4,051	\$5,167	\$3,580
MEAN	\$6,135	\$5,766	\$6,256
PER CAPITA INCOME	\$4,017	\$3,509	\$4,429

SOURCE: U.S. CENSUS BUREAU, 1980 BOSTON SMSA DATA

1979 FAMILY INCOME IN PERCENT BY NEIGHBORHOOD

BOSTON NEIGHBORHOODS	0 - \$14,999	\$15,000 - \$39,999	\$40,000 - MORE
CENTRAL	43.0%	38.9%	18.2%
CHINATOWN	71.5%	24.6%	3.8%
EAST BOSTON	51.9%	43.4%	4.7%
CHARLESTOWN	44.0%	48.5%	7.5%
SOUTH BOSTON	43.0%	45.0%	6.1%
BACK BAY-BERCON HILL	18.7%	41.4%	40.0%
SOUTH END	52.0%	32.2%	7.7%
FENWAY-KENMORE	55.5%	38.1%	1.4%
ALLSTON-BRIGHTON	43.5%	49.2%	7.4%
JAMAICA PLAIN	52.9%	40.4%	6.7%
ROXBURY	66.1%	30.5%	3.6%
NORTH DORCHESTER	50.2%	44.6%	5.1%
SOUTH DORCHESTER	45.3%	47.5%	7.1%
MATTAPAN	51.4%	44.9%	3.7%
ROSLINDALE	38.6%	53.9%	7.4%
WEST ROXBURY	26.8%	58.9%	14.3%
HYDE PARK	33.3%	58.2%	8.4%

SOURCE: BRA (1985) "DIVERSITY AND CHANGE IN BOSTON'S NEIGHBORHOODS: 1970-1980"

Table 10

1979 MEDIAN FAMILY INCOME BY BOSTON NEIGHBORHOODS

BOSTON NEIGHBORHOOD	1979 FAMILY MEDIAN INCOME
East Boston	\$14,459
Charlestown	\$16,938
South Boston	\$15,318
Central	\$17,891
Chinatown	\$10,027
Back Bay-Beacon Hill	\$32,686
South End	\$14,571
Fenway-Kenmore	\$13,412
Allston-Brighton	\$16,921
Jamaica Plain	\$14,122
Roxbury	\$10,773
North Dorchester	\$14,939
South Dorchester	\$16,601
Mattapan	\$14,561
Roslindale	\$18,760
West Roxbury	\$23,451
Hyde Park	\$20,113

SOURCE: BRA (1985) "DIVERSITY AND CHANGE IN BOSTON'S NEIGHBORHOODS"

Table //

1980 TOTAL POPULATION PERCENTAGE BY RACE AND HISPANIC ORIGIN\* IN THE CITY OF BOSTON,  
BY PLANNING DISTRICT

Planning Districts	Total Population	White	Black	American Indian, Eskimo, Aleut	Asian & Pacific Islander	Other	Hispanic Origin
East Boston	100.0	98.1	0.4	0.2	0.4	1.0	2.9
Charlestown	100.0	98.2	0.2	0.2	1.0	0.5	0.9
South Boston	100.0	98.9	0.0	0.2	0.5	0.3	0.5
Central	100.0	79.9	3.0	0.1	16.2	0.9	1.7
Back Bay-Beacon Hill	100.0	92.2	4.3	0.2	2.2	1.2	3.1
South End	100.0	39.3	40.8	0.3	11.9	7.8	12.7
Fenway-Kenmore	100.0	82.4	9.8	0.2	3.8	3.7	4.6
Allston-Brighton	100.0	87.7	4.1	0.1	5.8	2.2	4.5
Jamaica Plain-Parker Hill	100.0	63.8	19.1	0.3	1.7	14.9	19.9
Roxbury	100.0	10.1	77.8	0.4	0.3	11.4	13.3
North Dorchester	100.0	69.4	16.7	0.4	0.7	12.8	12.5
South Dorchester	100.0	66.3	27.9	0.3	0.5	0.5	5.9
Mattapan	100.0	15.9	80.8	0.4	0.3	2.7	4.6
Roslindale	100.0	92.8	3.8	0.1	1.4	2.0	3.4
West Roxbury	100.0	97.8	0.6	0.0	0.9	0.6	1.3
Hyde Park	100.0	85.6	12.8	0.1	0.6	1.0	1.7
Planning District Totals	100.0	69.9	22.4	0.2	2.7	4.7	6.4
Harbor Islands and Crews of Vessels	100.0	81.9	14.1	0.6	1.4	2.0	3.3
Boston Total	100.0	70.0	22.4	0.2	2.7	4.7	6.4

\* Race and Hispanic background are determined separately. Hispanics may be of any race.

Source: 1980 Census of Population and Housing: Summary Tape File 1; prepared by R.S. O'Hara, Jr., Boston Redevelopment Authority Research Department.

Table 12

YEARS OF SCHOOL COMPLETED BY PERSONS 25 YEARS AND OVER,  
BY PLANNING DISTRICT, 1980, IN PERCENT

Planning Districts	Population Age 25 Yrs. & Over	Elementary 0-8 Yrs.	High School		College	
			1-3 Yrs.	4 Years	1-3 Yrs	4 Years Or More
East Boston	20,823	27.9	23.7	36.8	6.8	4.8
Charlestown	8,314	14.9	21.2	39.0	10.2	14.8
South Boston	19,403	20.4	18.0	45.7	8.9	6.9
Central	16,414	22.7	9.5	21.2	12.7	33.9
Back Bay- Beacon Hill	19,283	2.6	3.1	12.9	18.9	62.3
South End	16,567	21.7	12.3	23.1	13.4	29.5
Fenway-Kenmore	10,513	7.9	6.6	22.1	22.0	41.3
Allston-Brighton	37,155	12.0	9.5	30.3	15.3	33.0
Jamaica Plain	22,786	18.4	15.6	29.4	13.1	23.6
Roxbury	32,081	23.3	21.4	36.0	11.3	8.0
No. Dorchester	13,323	21.8	18.8	39.4	11.6	8.4
So. Dorchester	33,684	15.9	17.9	42.7	12.2	11.2
Mattapan	18,498	14.3	18.1	45.1	14.3	8.3
Roslindale	20,507	17.5	13.9	42.5	11.8	13.4
West Roxbury	21,860	9.6	11.2	41.0	16.0	22.3
Hyde Park	18,793	13.4	16.3	44.9	13.9	11.6
Planning District Total	330,004	16.6	14.9	35.0	13.1	20.3
Harbor Islands & Crews of Vessels	349	6.0	10.9	30.7	6.3	46.1
City Total*	330,650	16.6	14.9	35.0	13.1	20.3

\* Totals may not sum exactly to 100.0 percent due to rounding.

Source: 1980 Census of Population and Housing. Summary Tape File 3. Prepared by  
R. S. O'Hara, Jr., Boston Redevelopment Authority Research Department.

Table 13

**WORKERS IN 1979, BY HOURS WORKED PER WEEK, BY NUMBER OF WEEKS WORKED,  
IN PERCENT**

Planning Districts	Usually Worked 35+ Hours per Week				Usually Worked 1-34 Hours per Week			
	50-52	40-49	27-39	1-26	50-52	40-49	27-39	1-26
	Weeks	Weeks	Weeks	Weeks	Weeks	Weeks	Weeks	Weeks
East Boston	54.5	9.6	4.1	9.8	8.4	3.6	2.8	7.2
Charlestown	52.3	10.5	5.3	9.3	8.9	2.8	3.5	7.4
South Boston	57.3	7.0	4.3	8.9	7.9	3.5	2.6	8.4
Central	59.4	10.0	4.3	8.5	5.9	3.4	2.6	5.9
Back Bay-Beacon Hill	48.5	9.6	5.8	13.5	5.1	4.7	4.7	8.1
South End	54.8	10.6	4.6	9.9	6.0	4.2	3.1	6.8
Fenway-Kenmore	19.3	8.0	7.1	26.1	7.7	7.1	7.5	17.3
Allston-Brighton	40.2	9.2	6.3	17.8	7.6	5.5	4.5	8.9
Jamaica Plain	46.2	9.6	6.2	13.6	8.4	5.4	3.5	7.2
Roxbury	52.3	10.2	5.7	10.3	7.2	3.6	2.6	8.2
North Dorchester	55.4	7.8	4.9	8.6	7.7	4.2	3.4	8.1
South Dorchester	53.5	9.5	4.4	8.5	8.2	4.6	3.2	8.0
Mattapan	55.3	10.0	5.5	8.4	7.3	3.4	2.4	7.8
Roslindale	52.6	10.0	4.3	8.0	8.5	4.1	3.8	8.7
West Roxbury	56.1	7.1	4.3	8.1	9.7	4.2	3.5	7.0
Hyde Park	57.4	8.5	3.4	7.2	9.4	2.9	3.2	8.0
Planning District Total	48.9	9.2	5.2	12.1	7.7	4.5	3.8	8.6
(Sub-total)				(75.4)				(24.6)
Harbor Islands & Crews of Vessels	3.3	20.3	14.3	30.2	3.3	0.0	0.0	28.6
(Sub-total)				(68.1)				(31.9)
City Total*	49.0	9.2	5.2	12.1	7.6	4.5	3.8	8.6
(Sub-total)				(75.5)				(24.5)

\* Planning district totals may not sum exactly to 100.0 percent due to rounding.

Source: 1980 Census of Population and Housing: Summary Tape File 3.

Prepared by R.S. O'Hara, Jr., Boston Redevelopment Authority Research Department.

APPENDIX G

DIVISION OF EMPLOYMENT SECURITY PROJECTION OF FASTEST GROWING  
OCCUPATIONS FOR BOSTON 1984 - 1995



TWENTY-TWO OCCUPATIONS  
 GENERATING 50 PERCENT OF THE JOB GROWTH  
 1984-1995

	<u>Net Change</u>
Salespersons, Retail Trade Services	22,300
Janitors, Porters and Cleaners	17,670
Registered Nurses	16,030
Electrical and Electronic Engineers	14,790
Waiters and Waitresses	14,560
Secretaries	12,450
Cashiers	12,210
Computer Programmers	11,850
Electrical and Electronic Technicians	11,800
Computer Systems Analysts, EDP	11,700
Accountants and Auditors	10,250
Wholesale Trade Sales Workers	10,100
Guards and Doorkeepers	9,590
Nurses Aides and Orderlies	9,200
Fast Food Preparation and Service Workers	8,590
General Office Clerks	8,290
Teachers, Preschool and Elementary	8,110
Kitchen Helpers	7,480
Computer Operators	5,040
Lawyers	5,040
Electrical and Electronic Assemblers	4,410
Automotive Mechanics	4,020

SOURCE: Massachusetts Division of Employment Security, Massachusetts Job  
 Outlook, Occupational Employment, Projected Changes 1984 to 1995.

The Occupational Projections publication may be obtained by contacting:

Massachusetts Division of Employment Security  
 Economic Research and Analysis Publications  
 Charles F. Hurley Bldg., 2nd Flr.  
 Boston, MA 02114  
 (617) 727-7434 or 7435

APPENDIX H  
ARTICLES ON THE P & L GARMENT WORKERS STRUGGLE

## Unhappy workers assail government with criticism

*Jobless garment stitchers hold rally to voice impatience over delayed aid*

by Peter Bagley

Nearly six months after the P & L factory closure, jobless stitchers, annoyed by what they consider a government run-around in releasing unemployment benefits, rallied on the State House front steps to voice their impatience on May 21.

After marching in front of the capitol building, about 150 workers, most of them Chinese women, converged in the Boston Common to hear a roster of speakers rail against the city and state for its delays in producing benefits for the laid off garment workers.

"We condemn the state for five months of delay and neglect. It shouldn't have to be that these women must strive at every turn," said Sovun Roe,

co-chair of the Workers' Support Committee, a group formed to generate public support for the unemployed stitchers.

P & L Sportswear Company of East Boston yielded to pinched economic times in the garment industry and closed its doors abruptly on December 1 last year, laying off 349 workers, many of whom live in Chinatown.

The state Department of Employment Security ordinarily enters the scene in such a case to help unemployed workers who are displaced through a factory shutdown. DES decides the amount of unemployment compensation and examines the special requirements of workers such as needed job retraining.

*Continued on Page 2*



Crowd of former P & L workers gather in the Boston Common to hear speakers

### Changing economics takes its toll of garment firms, unions, and workers

Fliers handed out by the Workers' Support Committee have portrayed the P & L crisis as one not only affecting a small group of jobless stitchers, but also one impacting a neighborhood at large.

"Much of an entire community will find itself without health insurance coverage," asserts a fact sheet produced by the WSC about the crisis.

Although only 200 of the 349 workers laid off by P & L are Chinese, they are indeed a large fraction of the women in Chinatown employed in the garment industry, said to be 1,100 by one estimate.

And observers can confidently say that Chinatown, where women are so concentrated in the industry (73%), will be seeing more problems such as the P & L closure in the future.

The city's Economic Development and Industrial Corporation has reported a drop in the number of firms and employees in the apparel industry for each year over the past decade.

Between 1977 and 1983 the industry shrank 22 percent, according to the EDIC. And from 1981 to 1983, 92 firms closed or moved out of Boston altogether. About half of them were in

Chinatown.

Small apparel firms were hardest hit. They have been forced out of Chinatown by commercial expansion and skyrocketing rents.

The biggest intrusion into Chinatown's garment industry recently was the move of 11 garment companies from Kneeland Street to the old Army Base Building 114 in South Boston from 1982 to 1983.

The city government and federal government stepped in at the time to help renovate the ar-

*Continued on Page 2*

*Agencies assert they are providing help to workers*

by Peter Bagley

The state and city government would not budge on providing unemployment benefits to former P & L employees, say some community organizers, until the garment workers started raising a raucous.

The Workers' Support Committee for the former P & L garment workers continues to point out that when Colonial Provisions Products Company closed down last year in Roxbury, the state Department of Employment Security set up a job retraining program in several days.

In addition, workers received two months formal notice before the plant closure. But at P & L workers were laid off the same week of a shutdown notification, which was initially anticipated one month away.

"I'm concerned about some of the things that have been said," said Beverly Wing, deputy director of the Mayor's Office of Services (JCS), of the P & L charges against the DES.

"Concerning their accusations that some were dragging their feet, we've done more in two

*Continued on Page 5*

2

### Adverse economic times . . .

*Continued from Page 1*

my base building for the firms to avert factory shutdowns.

The state Division of Employ-

ment Security reported that in 1965 about 15,000 workers were employed in the apparel industry in Boston. By 1983 the

workforce had dwindled to 6,700. Figures released by the U.S. Department of Commerce show a similar erosion of the industry and the work force.



Garment workers demonstrate at State Capitol Building

ment Security reported that in 1965 about 15,000 workers were employed in the apparel industry in Boston. By 1983 the

Imports of inexpensive clothing and the threat of commercial expansion continue to take their toll of apparel firms today.

While the garment firms suffer during this decline, so does their foe and watchdog, the International Ladies Garment Workers Union (ILGWU), at one time one of the strongest unions in the country.

Because of the attrition over the years, the union has become increasingly powerless, desperately holding on to its declining membership.

In Boston the ILGWU has been accused of turning down retraining programs for the laid off employees of P & L, routing them instead into other garment industry jobs which have an uncertain future.

"We have no comment," said Nathan Sandler, ILGWU manager in Boston, about the charges. When asked about union membership, Sandler said, "We don't give out any information about the union to anyone. It's distorted when it's released."

For a union which has strong representation from the Chinese community, it has been criticized over the years for paying little heed to its Chinese members. In 1980 when workers complained that in-house union publicans did not include Chinese, Milton Kaplan, manager of that time, told The Sampan, "That's too damn bad

(if they can't read English)."

The union has blasted against the Reagan Administration for not reducing imports and has fought many unsuccessful battles to sustain its control over garment production.

The union, which galvanized its support and grew after the Triangle Shirtwaist Company fire, which killed 146 garment workers in New York in 1911, has seen its membership drop 40 percent from 450,000 to 280,000 over the past 15 years.

The union complains that the vilified sweatshops of earlier times have returned, particularly in New York's immigrant communities. Those small opera-

tions, which provide poor lighting and ventilation, pay below minimum wage, the ILGWU says.

Experts say sweatshops, with low overhead costs, have risen to meet the challenge of foreign imports. While garment workers earn more than their foreign craftsmen overseas, their salaries are still dismal by American terms — a piecework wage system can bring in anywhere from \$1 to \$9 a hour for a worker.

In the 1950s, about 80 percent of the garment workers were organized in unions. Today labor authorities say only 25 percent of garment workers are organized.

P&L Workers and Garment Workers Support Committees  
c/o Chinese Progressive Association  
27 Beach St., 3rd floor  
Boston, MA 02111

#### UPDATE

The P&L Sportswear Company closed in December of 1985, leaving unemployed nearly 350 workers, mainly Chinese women. With nearly three-quarters of Chinese women restricted to employment within the garment industry, its decline poses a grave threat to the Boston Chinese community. The seasonal and piecework nature of earnings restricts average garment worker income to only \$4000 per year, yet this amount provides a significant share of income to most Chinese immigrant families. Garment worker employment is also the main source of health insurance for these families, since men are frequently employed in nonunionized restaurants which provide no benefits. In the last year two additional garment factories, Beverly Rose and David's, have also closed, leaving more than 700 workers unemployed. More garment factories are expected to shut down in the near future.

Over the past eleven months, the P&L Workers have organized to win a number of impressive victories that are significant for the struggles of the Asian community, workers, women, and minority groups.

- Following the May 21st rally before the Boston State House, workers won the immediate release of \$350,000 in state funds for retraining programs, the extension of health insurance benefits, and creation of the Workers' Assistance Center.
- The P&L Workers demanded and won the right to have decision-making power over the funding, design, and ongoing evaluation of their language and occupational retraining programs.
- In organizing and building leadership over the past eleven months, the P&L Workers have brought together the Asian community in its struggle for both individual empowerment and community control.
- Their victories have set a precedent for labor, in creating a mechanism for workers to secure benefits, retraining, and decision-making power in determining their futures.
- In changing the public's perception of Chinese immigrant women, P&L Workers have won further gains for women, Asian, and minority groups, in their struggle for equity.

## A Garment Worker Portrait

May Ning immigrated with her husband from Hong Kong to Boston in 1980. Not knowing any English, she felt limited in her options and opted to continue working as a garment worker, a trade she had practiced since the age of 13. In Hong Kong, garment workers were viewed as skilled laborers, a stable secure occupation. But in America, May felt, garment workers were seen as just another low-level occupation for the uneducated. "There is no respect for garment workers here in America! The emphasis is mainly to make money, to produce as many pieces of garment as possible to achieve wealth. Pride in the quality of work no longer plays an important role. Living depends on the cycles of the garment industry."

When the P&L Sportswear Company shutdown in December, 1985, May was one of the workers left unemployed. This made living very difficult for May and her family. Since her immigration to the states in 1980, May had two children, now age 2 and 5. Typical of many Chinese immigrant families, her husband is a restaurant worker. The impact of the shutdown made health insurance inaccessible without help. Her family budget did not permit the purchase of clothing for her daughters. May had to sew them in her spare time. The year before the shutdown, May made only \$6,000. Her wages had been declining for several years. She saw no future in the garment industry. "To stay in the garment industry would be financial suicide."

The city and state were under law to provide retraining for these laid-off garment workers. When retraining and support services did not come after five months, May joined the 200 P&L workers to protest the injustice and delays of the state and city agencies. After a rally at the State House, May said, "Before this, I would never have thought of getting involved. Now, I see the importance of coming out to insure justice is done. I can no longer sit quietly, my family and livelihood is at stake!"

On July 25 the Mayor's Office scheduled a meeting at the Jobs and Community Service agency to discuss the city's proposal for the retraining of garment workers left unemployed through plant closings. The city informed the Garment Workers Support Committee of the meeting and stated that the unemployed garment workers should not attend. The garment workers, determined to have some input into the policy making decisions affecting them, decided to attend the meeting. May felt that it was important and necessary for them to come. May and many fellow garment workers went to the meeting, which set the basis for future meetings for the city and workers to help decide how best to select the most effective retraining programs.

Since then, retraining programs have begun. For May, these retraining programs are very important. "They will," she said, "help open doors which had earlier been closed to me." May feels that the Mayor's Office must maintain an active role along with the garment workers in continuing to develop and monitor the progress of the retraining programs.

\*\*\* Please note - May Ning is fictitious name used to protect the privacy of the worker.

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